Refillable bottles: What’s old is new again

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Who is OBRC?

- Oregon Beverage Recycling Cooperative (OBRC) is a cooperative corporation that administers the Oregon Bottle Bill for distributors.

- OBRC operates five processing facilities around the state, processing over 1.5 billion containers a year.

- OBRC, formerly Container Recovery Inc., has been picking up beverage containers around the state for nearly 25 years, with more than 400 employees.

- OBRC operates a fleet of tractor-trailers that pick up containers at nearly 3,000 grocery retailer locations throughout the state.

- OBRC has 30 BottleDrop and Express location statewide, processing over 60% of all redemptions in the state.
Our flagship:

- Improve the customer return experience
- Remove high volume returns from grocery stores
Self Serve

- **350 containers per person/per day**
- **State of the art return machines**
- **Three material types in one machine**
BottleDrop Account

✓ Bag it - Fill green bags at home.

✓ Tag it - Place barcode tag on bag.

✓ Drop it - Leave it at any BottleDrop center anytime 24/7.

✓ App allows for mobile account interaction
All material processed by OBRC
Refillable bottles: A unique opportunity

- Opportunity for beverage industry leadership
  - An “Oregon” story about industry stewardship

- Market and timing are right
  - Consumers value craft and sustainable
  - 500mL and 12oz bottles are replacing 22oz

- OBRC uniquely positioned to implement
  - Nearly all empty beer bottles already pass through our facilities already
Why OBRC?

- Existing network to collect bottles and system to manage deposits
- Relationships with producers, distributors, and retailers
- Plant capacity to wash and return bottles, ability to ship to wash facility in interim
- Partnership with Craft for mobile bottling
Quality is key

- Inspection of every bottle post-wash to ensure it is clean and defect-free
- Additional swab testing to ensure cleanliness
- OBRC takes responsibility and liability for cleanliness for any bottle defects before filling
- Bottle washing machines can easily handle foreign contaminants, like cigarettes, limes, and even syringes
Details

- Standardized custom bottle from O-I, with thicker glass and embossed with refillable marking.

- 12oz and 500mL bottles available for Oregon breweries – 12oz matches existing O-I longneck diameter.

- During pilot phase, limited to SKUs with 25% or less out-of-state distribution.

- Working with label suppliers to have clear label standards and approved labels for both PSL and cut and stack.
Details continued

- Standard 10 cent deposit. “Bonus” for consumers on bottles returned in crates.

- Redemption at BottleDrop facilities, and participating breweries and stores.

- Bottles sold to breweries and bottlers at average total cost per case (includes pickup, handling, washing, and average per use bottle cost over bottle life)

- OBRC can meet or beat current glass costs, delivered, and can deliver in any format.
Timeline

- **Phase 1: TEST pilot – launched March 2017**
  - Refillable pilot with Double Mountain Brewery
  - DM has existing wash contract and bottles that are already refillable
  - Pilot collects bottles through BottleDrop and returns to brewery
  - Launch covered on 3 TV stations, 4 radio stations, 3 print publications

- **Phase 2: EXPANSION pilot - standardized bottles (Spring 2018)**
  - OBRC centralizes bottle purchasing and distribution
  - OBRC contracts directly for bottle washing at existing facility
  - Allows OBRC to perfect all aspects of collection and distribution

- **Phase 3: GROWTH - centralizes washing at OBRC (Late 2019)**