Oregon’s Bottle Bill: A Cooperative Approach

How the Private Sector Made Redemption and Recycling a Success

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BottleDrop
Oregon Redemption Center

OBRC Oregon Beverage Recycling Cooperative
Bottle Bill: A Brief History

A private system run by distributors

1971
5¢ deposit
Founded upon return to retail

2011
BottleDrop® Redemption Center introduced

2009
OBRC created – privately run

2017
Increase to 10¢ deposit

2016
Reusable bottle planning begins

2018
Expansion, huge increase in container volume
Reusable program launches
The Power of a Dime

10¢ Sparks Huge Demand

Redemption rate went from 64% to over 82%
(now around 90%!)
**Efficiency in Numbers**

The Oregon Beverage Recycling Cooperative operates with...

<table>
<thead>
<tr>
<th><strong>$44m</strong></th>
<th><strong>2 billion</strong></th>
<th><strong>200</strong></th>
<th><strong>500</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>operating budget (2019)</td>
<td>containers/year recycled</td>
<td>members and participants</td>
<td>employees throughout Oregon</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>2600</strong></th>
<th><strong>62</strong></th>
<th><strong>5</strong></th>
<th><strong>Zero</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>retail redemption locations (~450 total RVMs)</td>
<td>Green bag drop sites (25 full-service centers)</td>
<td>processing plants</td>
<td>taxpayer dollars</td>
</tr>
</tbody>
</table>
Where Do the Deposits Go?

Customers get back every dime
BottleDrop® Redemption Centers

Clean, fast and easy returns

- Single-purpose, indoor facilities
- 25 full-service redemption centers
  - One currently under development
  - Possible because of return to retail requirement
- Largest center accepts approx. 100 million containers/year
- ZERO taxpayer dollars
High volume self-service

Majority of containers through RVMs

- Centers can have as many as 15 or more RVMs depending on volume
- Customers can redeem up to 350 container/person/day – more than at stores
- Cash dispensers on site allow for immediate refund access
Green Bags

The easy self-serve account program

• **Gear up.** Customers enroll, get card and tags at kiosk, and buy bags at store
• **Tag & fill it.** Place coded BottleDrop tag on bags and fill with redeemable containers
• **Drop it.** Leave bag at secure drop door – 62 locations statewide
• **Track it.** Check account balance online or with our mobile app
BottleDrop now over 70% of volume

Returns have shifted quickly to a system customers prefer

Container Return By Location

- Large Retailers
- C-Stores
- BottleDrop/Green Bags

Redeemed Containers

- 2010 to 2020

10¢ Deposit
Expansion
BottleDrop/Green Bags
2020: 73%
C-Stores
2020: 10%
Large Retailers
2020: 17%
Blue Bags

Redeem yourself, support your cause

• Non-profits:
  – **Enroll** as fundraisers
  – **Distribute** Blue Bags
  – **Drop** full bags at a BottleDrop
  – **Collect** a check

• Over **$1 million** raised to date

October 29, 2020
Express/Dealer Redemption Centers

Expanding access throughout the state

- Smaller volume markets and urban areas
- Expanded access to green bag accounts and no fee for bag drops
- 37 locations operating
New locations coming every week
Get Your Cash and Much More

Stewardship for the next generation

- At a BottleDrop
- At a store kiosk
- Get 20% more with rewards
- Donate to charity
- Save for college
Measuring Success
Creating a legacy for people who call Oregon home

• Over half a million account holders
  – Up to 1000 account sign ups each day
  – Up to 30,000 bags processed per day
  – Green bag about 37% of overall volume

• 70%+ of all redemptions through BottleDrop

• 1000+ eligible non-profits in Give

• Over $1.5 million donated to non-profits
Measuring Success

Creating a legacy for people who call Oregon home
Oregonians are familiar with the bottle deposit and return program. And they agree that it is good.
Familiarity with the program has remained stable since 2016. Long-term residents are slightly more familiar.

- Very familiar:
  - 2019: 66%
  - 2016: 64%
  - Difference: 2%

- Somewhat familiar:
  - 2019: 29%
  - 2016: 29%
  - Difference: 0%
Strong agreement that the program is good has increased.
Program viewed more positively knowing that it is privately-run by distributors.

- Positive: 71%
- About the same: 27%
- Negative: 2016 vs. 2019
BottleDrop users are satisfied with their experience

Most feel the centers are convenient and safe.

92% Satisfied

Convenience: 5.7
Safety: 5.6
Customer service: 5.4
Cleanliness: 4.8
Where Does the Material Go?

Keeping the cycle close

**Plastic:** 100% processed at ORPET facility located in St. Helens (~30 million lbs. of plastic last year)

**Glass:** 100% processed in Portland at O-I and made into new bottles (including refillables!)

**Aluminum:** 100% processed domestically
Privately-run DRS is EPR

Oregon program most efficient way to do EPR for containers

- Producers and distributors internalize all costs and benefits of the system, incentivizing efficiency and performance
  - Oregon has lowers cost per container in the world, with strong outcomes
- Enable supply chain links that benefit other environmental goals like minimum content standards
- No handling fees or other payments that increase cost
- Scrap retained by beverage industry
- Creates a centralized system with economies of scale that allow for innovations like refillable bottles
Refillables/Reusables

Building on the infrastructure

12 participating breweries, cideries and wineries so far

**Lower cost** for producers

**Fraction of the carbon footprint** of even recycled glass

About **1 million** units in first year

Projected **6 million** units by year 3
Quality is Everything

Clean, defect-free and sorted

- Inspection of every bottle post-wash
- 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
Quality is Everything

Clean, defect-free and sorted
Refillables Participants

Off to a strong start with some of the Northwest’s best
Thank you.

Learn more at obrc.com and BottleDropCenters.com

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