

## **Feature Article for Auto Vending Topside, January 2007**

### **Green agenda broadens for vending**

**By Mike Potts, Chief Executive, Vendia Group.**

I often wonder what the great changes might be that are happening today and which will change our lives in the years to come. Change is often imperceptible at the time it is happening, but some years later it often seems all so obvious.

But one change is going on right now that is moving rapidly enough that I think even the least perceptive have noticed it.

In the last year or so, questions about the impact we humans are having on our planet have moved very suddenly to the political, economic and business centre ground, on the agenda of any self-respecting member of the establishment. Businesses can't issue their CSR Policies quickly enough, politicians can't stop proposing ways to tax the nasty polluters, and councils can't find enough shades to colour code their range of recycling wheelie bins. Even the City of London has deftly switched to "green is good" by declaring they will be the carbon trading centre of the universe!

So what does this sea change in opinion mean for vending?

#### **Vending as victim?**

As an industry, we have suffered a backlash as the government's lack of action on preventing obesity became exposed over the last two years. Is the same about to happen as the government scrambles to catch up with environmental targets it has not cared about until very recently?

As with the obesity debate, any rational commentator would say that vending should not suffer any more than any other component in the "pollution" chain – manufacturers, distributors and consumers should presumably all share the burden of reducing, recycling and reusing.

However, as with the obesity debate, vending is unfortunately a convenient whipping post and there must be a risk that the industry could be put under specific pressure in the not-too-distant future. This happened in Germany in the 1990's when vending operators were forced to take responsibility for collecting the packaging waste from products sold through their machines. It was legislation that put a severe burden on the German vending industry and from which they suffered for many years.

I suspect it is unlikely that UK vending will be singled out for specific punitive rules, any legislative changes being more likely to apply across all businesses. However, in any case, it is right that vending should play its fair role in whatever wider ranging changes get proposed. To make sure that that role is proportionate, and that the costs associated with it do not erode our already thin profit margins, I believe the industry needs to start taking action now.

So what can be done?

### **The case for action**

Clearly, the first and simplest step is for vending operators to be pro-active in taking whatever environmentally friendly measures are possible. Measures such as encouraging clients to use Save a Cup, using energy efficient vehicles and machines and recycling carton and other waste collected at depots are all possible actions that can be taken without overly inconveniencing the current business model in vending. Some companies are also taking steps to help introduce recycling machines into the market, such as the ones my own company promotes from the Reverse Vending Corporation. Sure, these measures cost money, but if they are introduced gradually and if the time is taken to explain to clients what is being done, I do believe that the incremental costs can be manageable and in many cases passed on.

However, in order to influence national and government opinion, and to clearly position vending as an environmentally responsible industry, action is also required at the industry level. And this is where Save a Cup could play a vital role.

Save a Cup was established in 1990 as the UK vending, foodservice and plastic cup industries' response to the legislative changes that occurred in Germany. Save a Cup's objective was to show government and the public that vending was already an environmentally conscious industry and that the draconian measures taken in Germany were not necessary here. In that objective, Save a Cup has been a resounding success – it has established a well known brand, has allowed vending operators to “tick the box” when asked about recycling and the draconian laws have indeed been avoided, so far.

But, looking forward, I wonder if Save a Cup could not now take on a broader role. It is currently concerned only with plastic cups – a small part of the waste stream from products we sell - and does not deal with recycling of PET bottles, cans, or crisp and confectionery wrappers. And even on plastic cups, Save a Cup is only able to recycle a relatively small proportion of the plastic cups sold through vending machines.

### **Expanding the role and the goal**

So, my question is whether the time has not come for Save a Cup to take on the next environmental challenge. Without damaging the powerful brand equity that it has established so far, I believe it could spread its wings and go beyond just cups to include all potential environmental impacts of the vending industry in its remit – waste and recycling as well as energy and fuel usage.

Potentially Save a Cup could migrate itself – probably under a new or additional name - into nothing less than the environmental champion of the vending industry, acting as a hub for all environmental matters that affect vending.

It would be a natural development to include c10c in the same organisation – c10c being the fledgling organisation set up to assist with the recycling of vending machines under the WEEE regulations. This would spread administration overheads as well as possible.

The first goal of the new agency could be to work with commercial waste management companies throughout the UK to ensure they are capable and willing to recycle all vending waste. A list of such waste management companies could then be made available to vending companies who would recommend them on an individual basis to their clients. Having identified suitable collection networks, Save a Cup could then potentially disengage itself from the collection activity altogether - it probably making more sense environmentally for waste collection to be done at a macro level by municipal or private waste management contractors, rather than at a micro level by Save a Cup vehicles.

The new agency would also then be ideally positioned to gather data on recycling of vending waste – through the approved (and other) waste management contractors, and from vending companies – which could be published and could help in finding ways to increase the percentage of waste materials that are recycled.

Such data and achievements would then provide ideal materials for PR, designed to ensure that the vending industry, rightly, benefits from a top class environmental image – achieving the original objective of deflecting any disproportionate measures against the industry.

All of this would require quite some change at Save a Cup, of course. Already, as reported just last month in this magazine, Save a Cup is making great strides towards the objective of shifting its charging structure away from the "Environmental Charge" cup levy and becoming self-financing. This is very welcome. In addition, the announcement of a trial with recycling paper cups in London is an excellent first step to broadening the range of products with which Save a Cup deals, and could also provide new revenue to make the organisation self-funding.

I applaud these moves and encourage Save a Cup to consider the idea to go yet further in that direction and rise to the new and broader environmental challenge, as they rose to the original challenge in 1990.

The vending industry is strong enough and flexible enough to cope with whatever will be thrown at it by the new focus on the environment, but we need to start responding now, at all levels, so that the change will be manageable and affordable. To use that old adage, we need to turn a threat into an opportunity.

If not, I don't think anyone could say that this is a change "that we didn't see coming".

*Ends*