

# Refillables in Oregon: A Cooperative Approach



Rebuilding a statewide program for reusable bottles

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**BottleDrop**<sup>®</sup>  
Oregon Redemption Center





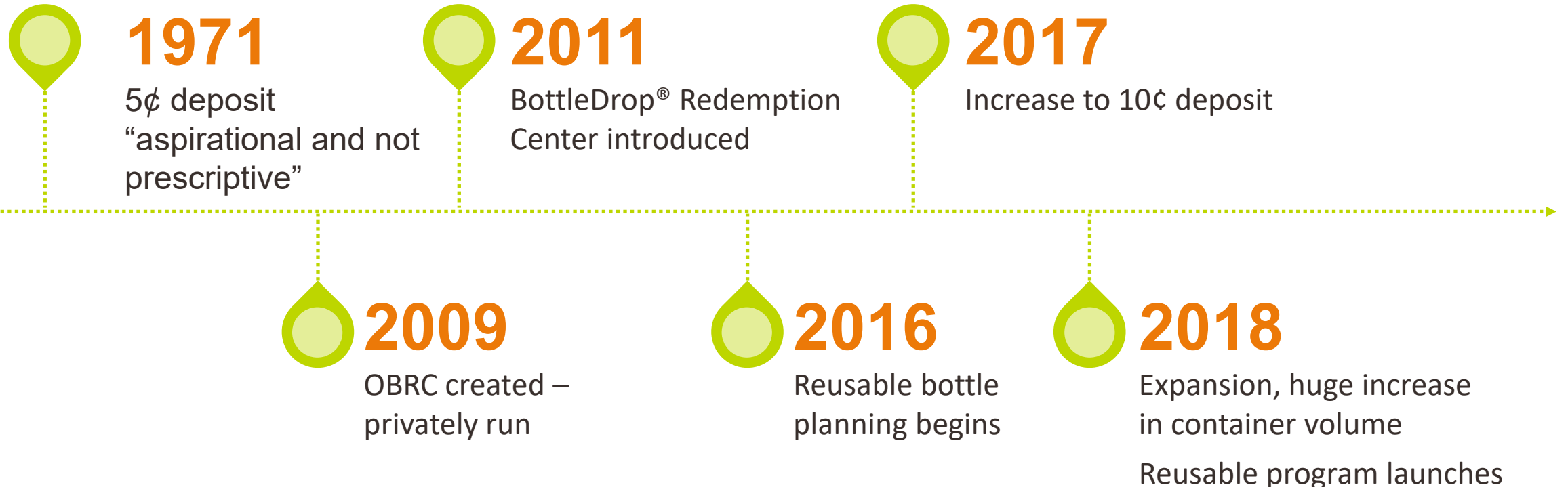
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# Bottle Bill: A Brief History



A private system run by distributors, founded on retail returns





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# The Power of a Dime

## 10¢ Sparks Huge Demand

Redemption rate went from  
64% to over 82%  
(now around 90%!)

**~35%  
increase**





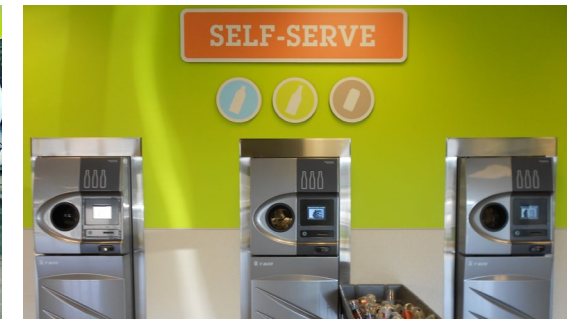
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# BottleDrop® Redemption Centers

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







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# 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 **1.5 million** units in circulation

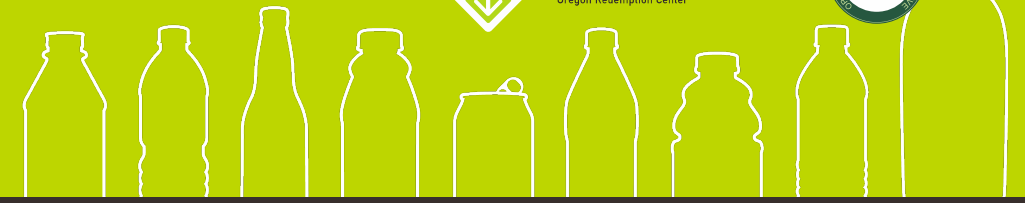
500mL and 12oz amber glass available







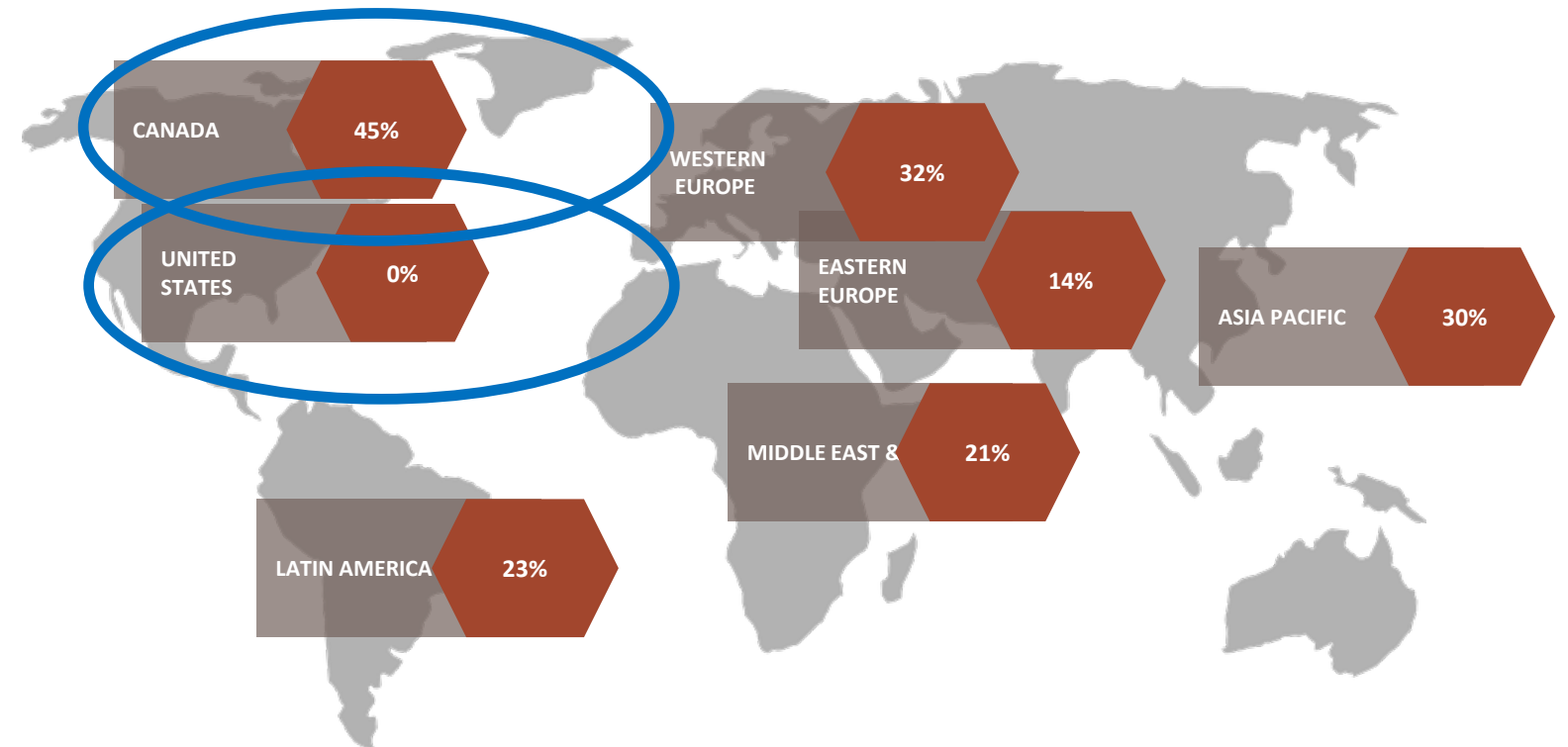
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# Refillables/Reusables

## Global refillable presence

The U.S. has a lot of catching up to do.



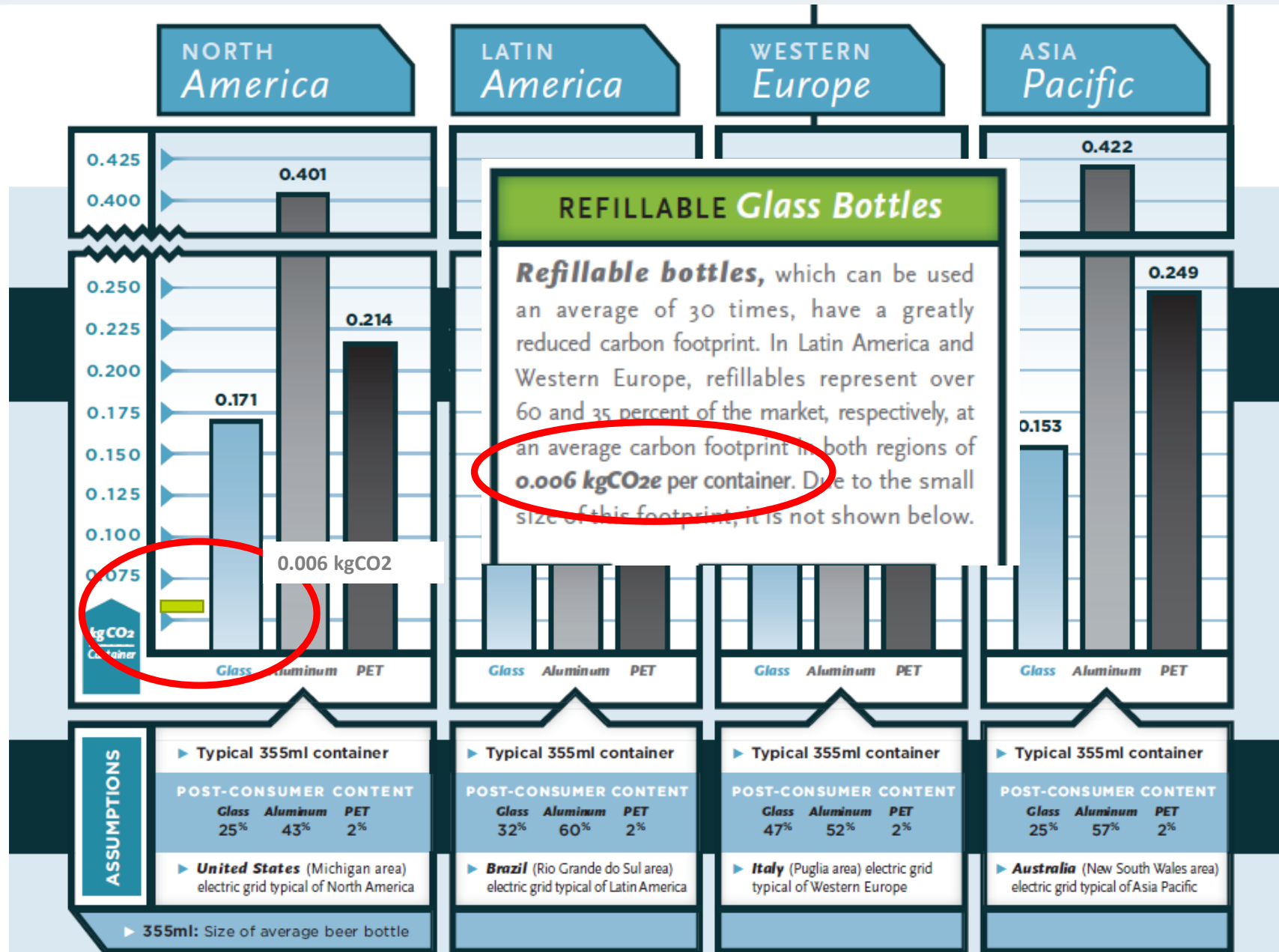














# What makes a refill program work?

## Economics matter

- Efficient collection and centralization of bottles is the most important element – must be built on a successful DRS
- Standardization of bottle types reduces sorting
- The more “turns” a bottle gets, and the more sold, the lower the costs for all participants
- Centralizing the washer and distributor allows for the bottle to be treated as a capital asset
- Bonus points for cross-border integration

# Current Details



- Bottles currently only getting about 2-3 turns, but could get up to 25 or more
- Currently limited to SKUs with 25% or less out-of-state distribution
- No crates in U.S. beer system, but would improve return experience
- Clear label standards and approved labels for both PSL and cut and stack





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# Education and co-marketing

## Partnership with producers helps consumers

- Producers can 'opt-in' for label and six-pack space designed to educate the consumer about the refillable program
- OBRC will help subsidize the label and six-pack cost:
- Co-marketing increasing sales and returns

**REFILLABLE BOTTLES. REBORN.**

- ◆ Enjoy your beer in this sustainable bottle
- ◆ Return your empties and reclaim your deposits
- ◆ Bottle will be cleaned, inspected, and reborn

To find out more go to [bottledropcenters.com/refill](http://bottledropcenters.com/refill)

**REFILLABLE**

**These refillable bottles are the most sustainable package for beer.**

- ◆ Enjoy your beer
- ◆ Return empties and reclaim your deposit, just like any other bottle
- ◆ These bottles will be cleaned, inspected, and returned to the brewery

**Refillable Bottles. Reborn.**

Find out more at: [bottledropcenters.com/refill](http://bottledropcenters.com/refill)

**BottleDrop REFILL**

**DOUBLE MOUNTAIN**  
BREWERY & TAVERN  
HOLD RIVER OREGON



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# Technology makes it work



- Refillable bottles are recognized by RVMs and rejected for hand count
- Bottles designed for future shape recognition
- With volume and capital investment, technology could greatly reduce handling





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# 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



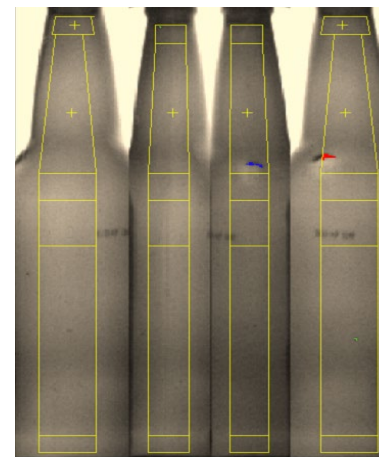
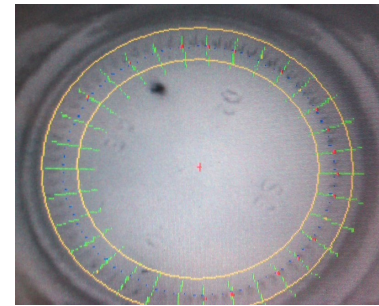
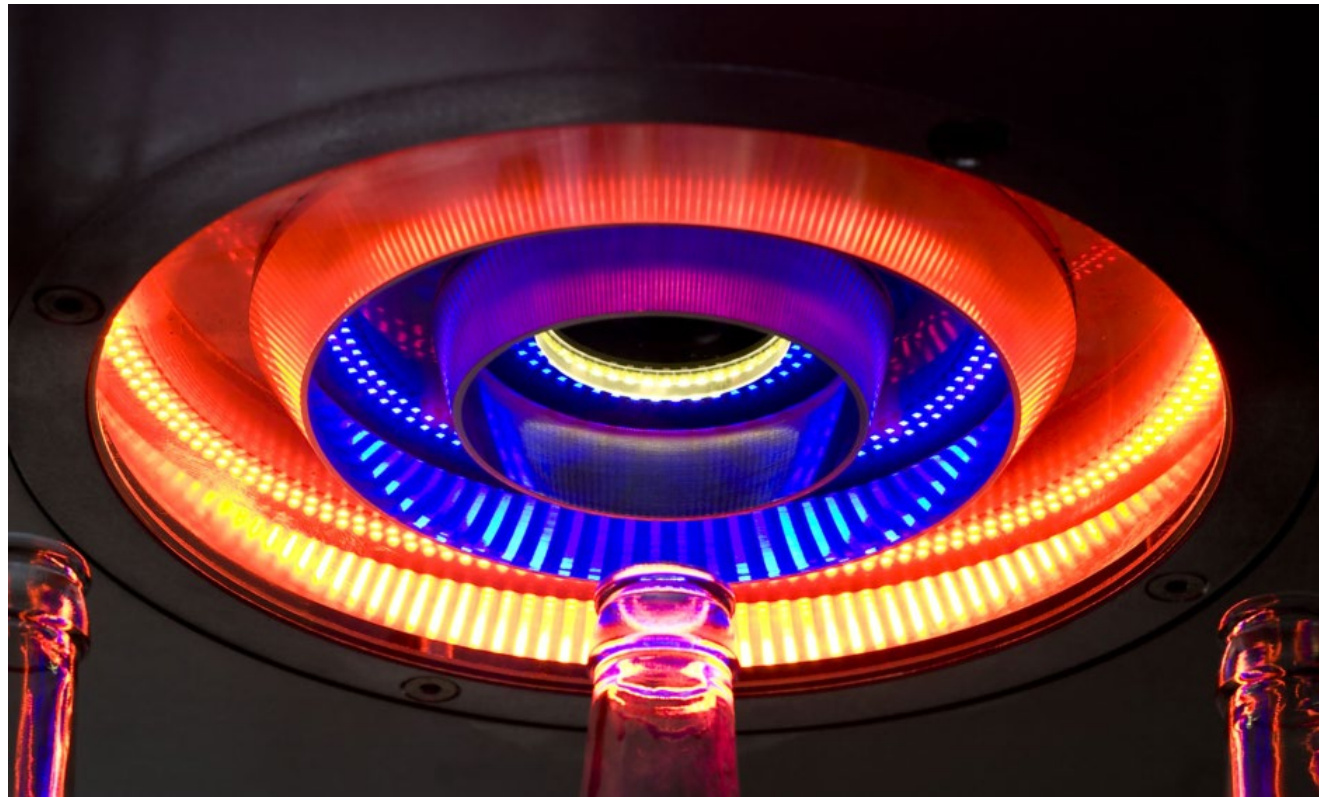


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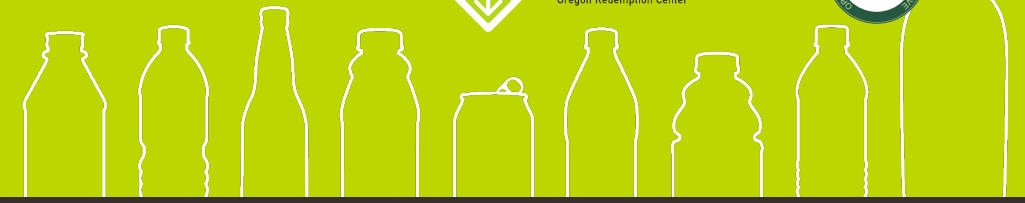
# Quality is Everything

Clean, defect-free and sorted





# Refillables Participants



Off to a strong start with some of the Northwest's best



## Current Partners



# Challenges to growth

## Cans are the biggest headwind

- Shift in craft packaging to cans and away from glass
- Limited to craft producers in Oregon
- Big opportunities in wine, but wine is not in the Oregon Bottle Bill
- Lack of volume makes other capital investments less feasible – negative feedback loop
- **Don't underestimate the challenges of labels**



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# Thank you.



Learn more at [obrc.com](http://obrc.com) and [BottleDropCenters.com](http://BottleDropCenters.com)

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