Fostering a culture of recycling

Global recycling company, Envipco is currently making waves in the European RVM deposit market with its innovative compacting technology. Although the company does not operate in the Reverse Vending Machine (RVM) deposit market in Europe, its compacting technology has been selected by a major German retail group, and approved by DPC Deutsche Pfandsystem GmbH to be used in the RVMs of Tomra, a major European recycling company. DPC provides the beverage retailers and distributors in Germany with a framework for complying with the deposit scheme. According to Goed Santchurn, President and CEO of Envipco, the company’s compacting technology was selected because of its superiority to those of its competitors. “Our compression technology provides all kinds of benefits to our customers,” he says. “It is cost-effective, has lower maintenance costs, longer life and greater reliability.”

In Germany alone and another 25,000 in other parts of Europe. This retailer had to convince its current vendors who supply the RVMs to use Envipco’s compaction technology. This proves that we have an advantage from a price, technology and innovation point of view, and we hope to gain more market share.” Other retail groups are also testing Envipco compactors in Germany.

While Envipco specialises in providing beverage collection containers for recycling, it also operates the biggest bottle-to-bottle PET recycling plant in France called Sorepla Industrie. According to Santchurn the plant is responsible for processing around 50 thousand tons of reclaimed plastic a year. “The RVM part of our business involves recovery, validation, compaction, sorting, transportation and logistics, to accounting for every container, to recycling and processing used beverage containers to prepare for conversion into new containers and consumer products. We complete the cycle by processing plastic containers so that they can be used to make other products such as a new bottle, carpet or textiles such as fleece, and stopping,” he says. “We recently invested in a new process which enables us to produce approved food-grade recycled plastics to be used for new bottles for the food industry.”

The US is currently Envipco’s main market, and has two distinct types of markets, the deposit and the non-deposit markets, as Santchurn explains. “In the deposit market consumers pay a deposit on beverage containers mandated by law which are typically redeemed at an RVM which returns the deposit. In the non-deposit market there is a need for a cost effective recycling solution to recover beverage packaging. For instance, in the EU there is a packaging and waste directive that each member state must recycle a certain percentage of scrap by type. In the US there is no such requirement but several beverage companies have ambitions to recover their packaging so that recycled content can be used in their new packaging. We are active in both the deposit and non-deposit markets.

In the non-deposit market, we recently entered into an agreement with the Coca-Cola Company to start a pilot joint venture project to provide an automated solution to recover post consumer PET and aluminum beverage containers.” Known as Reimagine the Envipco solution for Coca-Cola is a recycling centre that can be located in public spaces such as grocery store parking lots. The recycling system also features flat panel screens and interactive displays to promote video advertisements. Colourful and modern, the centres are designed to encourage recycling, and provide consumers with incentives such as reward cards and coupons which can be banked, redeemed, or donated to charity. “The solution is technology driven which makes it very cost effective to recover those materials for recycling,” says Santchurn. Commercial roll out will depend upon the overall evaluation of the pilot program which is scheduled to be concluded in the first half of 2012. “We do the same thing in different countries (but using different technologies), such as in Greece where our local partners started a programme where they install RVMs in public places, and in front of stores for the consumers to bring their containers back and be rewarded for this act. Our partners in Australia has also started a similar project.”

In addition to the design, development and manufacture of RVMs which the company sells or leases to its US customers, Envipco also provides technical support, maintenance and accounting services to retail stores, bottlers and distributors. The company customises its recycling solutions for each customer and some of its latest developments include improved compaction technology providing a 30 to 40% yield, a sensor to detect plastics, and a high density can flatter.

In the deposit market, Envipco also has special arrangements with beverage companies to provide them with a range of services, such as picking up their containers from the store. “Under the deposit law companies are responsible for the recovery of their packaging, and we provide them with a clearinghouse function,” says Santchurn. “For instance if there are a thousand stores and you sell your products in each one of those stores you need to be refunded based on the number of containers being redeemed at each of those stores. Effectively we act as a clearing bank for the bottlers, for the deposits that flow between the consumer, retailer and bottlers. Our proprietary system tracks each redeemed container by using a barcode scanner so that we can provide them with a detailed account.”

Headquartered in Amsterdam in the Netherlands, Envipco has subsidiaries in Germany, France, the UK, and the US, and is currently working on different technologies which it intends to bring to market. "We believe our innovative and disruptive technology will help us succeed in a big way," says Santchurn. "We plan to grow by entering the right market at the right time. For instance, when our pilot project with Coca-Cola is successful, and we believe it will be, then it is a matter of extending the same concept to new markets. We intend to do it in steps, choosing priorities, one market at a time, and proving our success."

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In the deal, Envipco will initially supply 500 of its compactors for incorporation into Tomra’s T-710 and T-820 RVMs. According to Santchurn the contract came as a result of demonstrating the technology to various European retail groups. “They tested our compaction against that of the competition, and found our technology to be superior,” he says. “Although one retail group initially ordered 500 units, the opportunity for Envipco may be more than 10,000 units per year as there are about 35,000 RVMs

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