

## E&E Project Summary Report

**Project Name:** Pre-Feasibility Study of Cooperative Marketing Programs for Blue Box Materials in Ontario

**Project Number:** 86

**Lead Sponsor:** AMRC and Ottawa Valley Waste Recovery Centre

**Total project cost:** \$9,800

**Priority Area:** Cost Containment

**Completed By:** October 2005 to May 2006

**E&E fund contribution:** \$9,800

### Project Overview:

#### *I. Goals*

To review past experiences with co-operative marketing, review the marketplace in 2006, and determine whether further research should be undertaken to assess the feasibility of setting up a new co-sell initiative for blue box materials in Ontario.

#### *II. Accomplishments*

The project provided insight into the municipal co-operative marketing experience in the late 1990s and the likelihood of it being needed or successful in 2006. Based on this, it concluded there is little interest in the idea of co-operative marketing among the municipalities interviewed and therefore no need for additional work at this time.

#### *III. Limitations*

The only limitation was the length of time that had passed since the co-operative marketing was undertaken. There were sufficient resources and contacts available however to ensure the project goals were met.

#### *IV. Lessons Learned/Best Practice implications*

The key lessons learned were that the marketplace for recyclables is significantly different in 2006 than it was 10 years ago, and the municipalities are much more experienced in recyclables marketing. A substantial number of programs have chosen to make long-term supply agreements and this has reduced the amount of material available for "spot marketing". The advantages to be gained from split loads have been largely offset by the increase in fuel costs. Lastly, there continues to be lack of support for co-operative marketing from those who purchase recyclable materials.

### Impacts (including tonnes diverted and cost impacts):

Materials marketing is directly related to Cost Containment, one of the E&E Fund's priorities. Reviving cooperative marketing in Ontario was viewed as a potential way through which municipalities (smaller programs in particular) could get better revenues for their materials, and hence decrease the net cost of their overall system. Given the conclusions of this preliminary research, an alternative route for helping municipalities in this area may be continued promotion of the Model Contract and Tender Tool through the Knowledge Network, and the provision of marketing advisory services through MIPC's recently hired recycling program adviser.

### Resources & Tools:

Peel has requested \$155,125 from the E&E Fund (25% of the total cost) to purchase and install a bag breaker that will enable the Region to process bagged recyclables. The technology selected by Peel (BHS) received a favourable evaluation from the research carried out by the consultant.

A Peel Region representative has been invited to present the findings from this project at the next Ontario Recyclers Workshop, scheduled June 1<sup>st</sup>, 2006 in Ottawa.

