



DRIVING CHANGE WITH THE COLLECTIVE IMPACT MODEL

In South Australia's Barossa Valley there is an innovative new rubbish depot on the drawing board that will change the way the wine industry thinks about recycling. Instead of local wineries struggling with their 'hard to recycle' waste alone, they've combined forces to prevent it ending up in landfill.

One solution has already been identified for the many separate loads of the silicon-coated backing paper that are left over after labels are applied to bottles at region's many wineries. Working together, local winemakers have located an industrial recycler with the technical capability to turn this otherwise problematic and complex waste into tissue paper for gift wrapping. However, with a minimum volume for recycling of a full container load, it will only work if individual winemakers accumulate their waste at a central point. Hence, plans for a regional waste drop-off facility are already in motion.

This 'collective impact model' – based on businesses working together – is a promising template for other industries that aims to improve recycling rates, drive innovation and fuel the circular economy, says APCO Industry Partnership Manager, Meredith Epp.

'New and often unexpected ideas come out of collaboration,' she says. 'One of the real benefits of the APCO community is the opportunity to scale up solutions due to the combined material volumes. By working together, organisations can create tipping points to make solutions more

viable with some really powerful impacts.'

The notion of getting winemakers and related businesses together at the same table to compare operational notes was originally floated by Diarmaid O'Mordha, the Quality and Sustainability Manager at the Endeavour Drinks Group, part of the Woolworths group.

With Endeavour's Barossa Valley Dorrien Estate winery, its bottling and packaging business, distribution centre and its chains of retail outlets including Dan Murphy's and BWS stores, packaging was emerging as a major challenge, says Mr O'Mordha. Woolworths' own 2020 Corporate Responsibility goals and the 2025 National Packaging Targets were very much on his mind.

The process started with Mr O'Mordha initially reaching out to APCO. This was followed by APCO taking the lead in bringing stakeholders from across the wine industry supply chain

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together for their first two-day workshop in late 2018, where the Wine Industry Sustainable Packaging group was formed.

Sustainability is a key issue for Australia's wine industry, given its vulnerability to climate change and extreme weather, Mr O'Mordha says. Last summer's record temperatures resulted in a 50% reduction in grape yields 'and comparable drops in production' in the Barossa Valley alone. With 65 wine-growing regions and some 2,500 wineries, the industry employs about 170,000 people and contributes over \$40 billion to the Australia economy annually, according to Wine Australia.

'We understand climate change impacts this industry, and we know there are a lot of vocal consumer groups wanting positive environmental changes, Mr O'Mordha says.

"So, we thought 'why don't we step up' – but we needed to get our own houses in order first."

"We were working with people in our industry we wouldn't normally collaborate with... but with APCO's role we were able to see ourselves as one ecosystem that everyone could benefit from"

Laying the groundwork for an industry-wide action plan

Around 25 businesses joined the first APCO workshop hosted at Dorrien Estate, including Treasury Wine Estates, Henschke and Pernod Ricard Winemakers, ostensibly Dorrien's commercial rivals.

'The idea was to set up a neutral, non-competitive space so we could develop a shared industry vision, with APCO leading," says Mr O'Mordha.

That began with a 'seek and understand' brief, which took the group to visit sites ranging from packaging suppliers to retail operations and recycling plants so they could see first-hand the entire packaging journey and identify gaps in their own operations.

"Visiting a large recycling facility in Adelaide enabled us to learn a lot about what is possible – it was a big eye opener."

One realisation was that while Australians are keen recyclers, putting waste into kerbside



bins is often referred to in the waste industry as 'wish-cycling'. Although consumers assume their waste is being recycled, there are many barriers, including technical challenges, like the low value of some waste streams and limited capacity across recycling plants. This leads to much recyclable waste going to landfill in Australia. One relevant example for the wine industry is glass bottles, where coloured glass can contaminate otherwise clear batches.

'APCO were fantastic in connecting everyone – we couldn't have done it without them. We were working with people in our industry we wouldn't normally collaborate with because of commercial competition.

'But, with APCO's role we were able to see ourselves as one ecosystem that everyone could benefit from – they helped put everyone at ease,' says Mr O'Mordha.

A rotating industry lead was agreed on, with Mr O'Mordha taking up the first turn.



A new road map for sustainable packaging

With brainstorming sessions and a second meeting now under their belt, six projects have been identified to be led by members.

These include the development of cross-industry sustainable packaging guidelines, the pilot regional waste drop-off facility in the Barossa Valley, reviews of the glass and cardboard predominantly used in wine packaging, as well as other packaging items such as closures. A reduction in the use of cling film to wrap pallets has been identified as an important issue, and a retail store pilot is planned to identify opportunities to reduce waste at the point of sale. The group also agreed to greater data transparency, to help monitor the industry's progress towards the National Packaging Target of at least 30% recycled content in all packaging by 2025.

Working together the industry can drive change from within, avoid the duplication of efforts, develop a platform to share information and set baselines against which to measure progress.

"As individual companies we can seek to make change, but together it can be much more powerful and far reaching," Stephen Cook, Sustainable Development Manager at Pernod Richard Winemakers.

'A lot of customers take it for granted that we are doing all these things, but we are actually on the start of the journey – we are getting the foundation built. It's been a steep learning curve.'

Stephen Cook, Sustainable Development Manager at Pernod Richard Winemakers says the group provides 'a unique opportunity to collaborate on industry-wide solutions to packaging and waste.'

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For more information about joining the APCO community visit www.packagingcovenant.org.au