The Petaluma Reusable Cup Project: Starbucks, The Coca-Cola Company, PepsiCo Lead Brands Launching City-Wide Reuse System in California City

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The collaboration, led by the NextGen Consortium, makes reusable cups the default option in national and local restaurants across the City of Petaluma.

PETALUMA, Calif., July 9, 2024 /PRNewswire/ -- Starbucks, The Coca-Cola Company, PepsiCo, Peet's Coffee, Yum! Brands and other global and local brands and restaurants are partnering in **The Petaluma Reusable Cup Project** from the **NextGen Consortium**, led by the Center for the Circular Economy at **Closed Loop Partners**, to activate an unprecedented collaboration to drive reuse. Starting August 5, more than 30 restaurants in the City of Petaluma, CA, will swap their single-use cups for to-go reusable cups to all customers at no cost, and widespread return points will also be available across the city. This program marks a significant milestone for reuse, as the first initiative of its kind that makes reusable to-go cups the default option across multiple restaurants in a U.S. city, with the opportunity to drive more customers to reuse and displace hundreds of thousands of single-use cups.

The Petaluma Reusable Cup Project is focused on supporting customers to create return habits, a key factor to the success of reuse. The city-wide initiative is a critical step forward to catalyze and scale reuse systems, building on half a decade of work by the NextGen Consortium—a collaboration managed by the Center for the Circular Economy at Closed Loop Partners, in partnership with many global foodservice brands.

The mix of large national chains, local independent restaurants, convenience stores, community hubs and public locations makes this initiative distinctly powerful in shaping consumer habits and cultural norms. More than 30 restaurants in the City of Petaluma will be participating in the initiative, including Starbucks and licensed Starbucks cafés in Target and in Safeway, owned by Albertsons Companies; Peet's Coffee; KFC and The Habit Burger Grill, owned by Yum!; Dunkin'; as well as many local cafés and restaurants. The initiative was made possible through extensive public-private collaboration, with support and engagement from the **City of Petaluma**, **Zero Waste Sonoma**, **Recology**, community groups and local businesses.

"It takes an entire community to build the future of reuse that we want to see," says Michael Kobori, Starbucks chief sustainability officer. "Our environmental promise is core to our business and that's why we're working toward a future vision of every Starbucks beverage served in a reusable cup. Together with fellow foodservice brands, local stores and community stakeholders, we're leading this initiative to help further unlock behavior change toward reusables, making it easy for our customers, and *any* customer, to choose to reuse and reduce waste."

Across the U.S., <u>50 billion single-use cups</u> are purchased and disposed of each year. Most of these cups are used out of a restaurant and disposed of at home, work or school, with an average lifespan of less than one hour before going to waste, according to the Center for the Circular Economy's research. While reuse is growing quickly, use of personal cups and existing takeaway reusable cup systems still face low adoption or low returns. For reuse to <u>scale responsibly</u>, it's imperative to create an easy and enjoyable consumer experience that makes it easy for customers to remember to bring their own containers or to return one that was given to them.

"To create a world without packaging waste, we need to ensure that food packaging reuse systems are scaled in a way that creates a positive environmental impact—meeting the current needs of people while driving a cultural shift toward reuse," says Kate Daly, Managing Director and Head of the Center for the Circular Economy at Closed Loop Partners. "By testing reuse across an entire city in partnership with key stakeholders from the community and industry, we can scale reuse collaboratively through thoughtful experimentation, building a future where reuse is the norm."

The City of Petaluma, CA, located in the northern Bay Area, was selected for the initiative for many reasons. In this region, businesses and consumers are receptive to adopting reuse, given the policy environment promoting the phase-out of non-recyclable single-use packaging. The city also participated in a returnable cup test at participating Starbucks locations in 2023. The size and dense layout of downtown Petaluma,

with its tight cluster of restaurants and local shops within walking distance, and proximity to suburban and rural areas, creates the right conditions for testing a reuse system for to-go cups. Collaboration with local stakeholders has helped adapt the initiative to local policy and infrastructure, identify optimal return points across the city and engage the broader community.

"The City of Petaluma is laying the groundwork to make cup reuse not only an option, but the default," says Kevin McDonnell, the Mayor of the City of Petaluma. "We have an amazing, engaged community, and we look forward to assisting the success of this program, alongside our local restaurants and participating global brands that service our community."

"Imagine a neighborhood where all to-go cups are reusable, and returning these cups required no extra steps. By making reusable cups as convenient and accessible as single use, we can offer an alternative for residents when they forget to bring their own cups with them," says Leslie Lukacs, Executive Director of Zero Waste Sonoma. "Universal accessibility creates the foundation for a cultural shift towards reuse."

The Petaluma Reusable Cup Project will install more than 60 cup return bins across Petaluma. After use and return, the reusable cups will be collected, washed and recirculated for future uses by participating businesses and customers. **Muuse**, a winner of the 2018 **NextGen Cup innovation challenge**, was selected by the NextGen Consortium to manage all servicing and reverse logistics for the initiative.

"Transitioning to returnable packaging systems is a critical part of reducing single-use packaging waste, and we need to focus on supporting the operations behind it. These systems must be thoughtfully and responsibly implemented to ensure we are minimizing our impact of creating more waste in the process," says Brittany Gamez, COO & Co-Founder of Muuse. "It is through initiatives like this that we can identify what is needed to operationalize shared systems at this level and inform how reuse is implemented at scale."

The initiative, which runs until November, will collect baseline data that measures customer participation and the environmental impact of offering reusables as the default choice for customers, testing whether the model is operationally viable for scale. Data from the initiative can be leveraged by businesses and regulators to support them as they design new reuse systems and draft well-informed packaging regulations.

This is another key step in the NextGen Consortium's longstanding work to advance reuse. Since 2018, the NextGen Consortium, its brand partners and the Center for the Circular Economy ecosystem have been at the forefront of the reuse movement. In 2019 and 2020, the NextGen Consortium launched groundbreaking trials in the San Francisco Bay Area to understand how reusable cup programs might operate simultaneously across multiple restaurants, leading to a foundational reuse report. Starbucks, a NextGen founding partner, has launched cup share programs in over 25 markets globally, including saturation trials in California. They also recently became the first national coffee retailer to accept reusable cups for drive-thru and mobile orders, making significant progress to incentivize customers to bring their own cups to stores. The work to advance reuse also extends beyond the cup. In 2023, the Consortium to Reinvent the Retail Bag, also managed by the Center for the Circular Economy at Closed Loop Partners, wrapped its largest returnable bag program, alongside its largest bring your own bag program, in partnership with CVS Health, Target and other leading retailers.

Moving forward, the NextGen Consortium will continue its work and collaboration with stakeholders from across the reuse value chain, from innovators and activists to global brands and policymakers, to effectively scale reuse systems that are better for the environment.

About the NextGen Consortium

The NextGen Consortium is a multi-year consortium that addresses single-use foodservice packaging waste by advancing the design, commercialization and recovery of foodservice packaging alternatives. The NextGen Consortium is managed by Closed Loop Partners' Center for the Circular Economy. Starbucks and McDonald's are the founding partners of the Consortium, with The Coca-Cola Company and PepsiCo as sector lead partners. Peet's Coffee, with its parent company JDE Peet's, Wendy's, Yum! Brands, Delta Air Lines and Toast are supporting partners. World Wildlife Fund (WWF) is the environmental advisory partner. Learn more at www.nextgenconsortium.com.

About the Center for the Circular Economy at Closed Loop Partners

The Center for the Circular Economy is the innovation arm of Closed Loop Partners, a firm at the forefront of building the circular economy. The Center executes research and analytics, unites organizations to tackle complex material challenges and implements systemic change that advances the circular economy. The Center for the Circular Economy's expertise spans circularity across the full lifecycle of materials, connecting upstream innovation to downstream recovery infrastructure and end markets. Learn more about the Center for the Circular Economy at www.closedlooppartners.com/the-center/

 ${\tt CONTACT: Beatrice\ Mi\~nana, } \underline{\textbf{beatrice@closedlooppartners.com}}$

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