



O-I: HONEST,
PURE,
ICONIC
GLASS



THE CLEAR POTENTIAL OF REFILLABLE GLASS BOTTLES

Opportunities, Requirements and Benefits of Creating Refillable Bottle Systems

THE BACKGROUND

O-I has a longstanding commitment to sustainability and glass refillables are the most sustainable packaging option.

Today, the global mega-trend of environmental responsibility is a key driver of change, as ethics and sustainability are influencing purchasing decisions. Consumers are interested in refillables as a new, unique and environmentally conscious option. Because of this demand, brands are making the switch.

Craft brewers in particular are sustainably minded and looking for ways to differentiate their brands in a highly fragmented market, making glass refillables an appealing packaging option.

Offering refillables can be a significant differentiator for brewers through sustainability and economic benefits.

THE OPPORTUNITY

O-I began producing refillable bottles in 1903 when the company was founded. Refillable glass bottles are already globally popular, but are gaining favor in the U.S. market.

More recently, O-I and Oregon Beverage Recycling Cooperative (OBRC) connected on an opportunity to reintroduce refillable bottles for craft brewers in the state of Oregon.

THE PROGRAM

Oregon is a bottle bill state, so consumers are already returning their packages. OBRC is responsible for picking up and processing nearly 100% of all containers redeemed in Oregon.

OBRC and O-I connected during the infancy of the initiative planning and aligned through a natural fit and shared desire to market premium and sustainable packaging.

In 2018 OBRC, with support from O-I, will launch the BottleDrop Refill program, commercializing 12oz and 500ml refillable bottles for the Oregon craft beverage market.

REQUIREMENTS

Specific requirements include:

- **Infrastructure:** Collection and sorting systems, washing and sanitizing equipment
- **Incentive:** Deposit system and incentive to return
- **Local:** Relatively short transportation distances
- **Packaging:** Ensure clear differentiation and fit for purpose
- **Education:** Cleanliness, sustainability benefits, economic benefits, quality integrity



Pictured Above: OBRC Refillable Bottles

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REFILLABLES AT A GLANCE

- Today, more than 7 billion O-I refillable bottles are in circulation worldwide.
- A refillable glass bottle can be used and refilled an average of 25 times before being retired from circulation and recycled into new containers.
- The actual number of times a refillable is reused depends in part on the visual condition of the bottle and the impact it has on the brand.
- **The environmental benefit is nothing less than staggering. Refillables deliver at least 50% less CO2 emissions per hectoliter than aluminum cans.**

BENEFITS

As the world's most sustainable package, refillable glass bottles have both environmental and economic benefits that appeal to consumers and brewers alike.

Not only are beverages in refillable containers typically less expensive per use to purchase than standard single-use packages, they are also more sustainable, reducing waste to landfills, carbon emissions and energy consumption.

Glass refillables have the least environmental impact, the lowest carbon footprint, zero end-of-life waste and use a decreased amount of raw material.

Economic points to consider include:

- Cost per filling is reduced over the lifecycle of the bottle
- Refillables allow beverage manufacturers to benefit from significant cost savings
- Savings compensate for investment costs required for the system



THE OUTLOOK

The first years of the OBRC initiative will be spent honing the in-state system, with the potential to branch to neighboring states like Washington, Idaho and California.

Existing bottle bill states provide opportunities for refillables given existing consumer behavior and collection and sorting infrastructure. There is additional interest across other beverage categories as well.

While there is opportunity for larger brands, broader expansion into the mass-market requires some significant investment in infrastructure (e.g., washing equipment) to manage the system.

So far, six breweries in Oregon have committed to the OBRC initiative, with many more expressing interest once launched. These breweries represent a broad spectrum of the Oregon craft beer scene – large and small, iconic and up-and-coming. The initiative supports consumers' preference for local products.

For more information, contact:

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