

PROFIT FROM CUTTING WASTE AND RECYCLING



This is one of a series of +points on The Journey – a route map designed to help you build a business that people value. Check out other +points on www.smallbusinessjourney.com.

WHAT'S THE POINT?

You CAN increase your profits by reducing your waste and seeking opportunities to recycle waste materials.

WHY?

- By making the best use of raw materials you will improve efficiency and reduce waste.
- By cutting the use of consumables like paper you can save money.
- Recycling reduces disposal costs, and in some instances, it can generate income.
- You can reduce your annual landfill tax payments.

EXTRA BENEFIT TO YOUR COMPANY

- You will boost your business reputation.
- Your business will be more attractive to customers who also 'think green'.
- You can gain support and commitment from employees.
- You can meet the needs of a wider range of customers as more larger companies insist on environmental management by their suppliers.

The Small Business Consortium is a group of organisations who share a common goal. They include AccountAbility, Arts & Business, British Chambers of Commerce, Business in the Community, CSR Europe, Federation of Small Businesses, The Forum of Private Business, Institute of Directors, Lloyds TSB and Scottish Business in the Community. Their work is supported by the DTI, www.societyandbusiness.gov.uk. These materials are created by Corporate Culture, www.cc-plc.com.

LIVING PROOF

BEACON PRESS

This small printing company based in East Sussex has made substantial savings by cutting its emissions, reducing its use of chemicals and starting a comprehensive re-cycling programme. The printing industry is notorious for waste and pollution, so Beacon Press faced big challenges when it started 'thinking green' back in 1980. But the good environmental practice championed by both management and employees has not only saved the company money, it has further strengthened its bottom line by attracting more customers.

THE RESULTS

Today, Beacon Press, winner of many awards including a Queen's award for sustainability, has a valuable reputation as a world leader on green issues in its sector, and new clients choose Beacon Press to demonstrate their own commitment to the environment. Equally importantly, the elimination of industrial alcohol following the introduction of a waterless printing process saves the company at least £16,000 per annum; the recycling of cleaning solvent saves £20,000; and the recycling of waste saves £18,000.

WHO ELSE IS MAKING A POINT?

Many companies throughout the UK understand the real business benefits that can be gained by reducing waste and maximising their recycling efforts. Here are just two:

- **Abbott Laboratories Ltd** has been manufacturing pharmaceutical and healthcare products at its Queenborough site for more than 30 years. Although it has operated cost saving and process optimisation programmes for over 20 years, the company has had no formal waste minimisation programme. Through a local Waste Minimisation Club, the company developed a structured framework for its waste minimisation activities.

The results: The company has successfully developed a waste minimisation culture which has delivered savings of £175,000 a year. Management have also identified further potential savings of £280,000 a year. In addition, the company's annual water consumption has been reduced by 15%.

- **R Mathieson & Sons Ltd** produces a wide range of catering and retail products at its bakery in Falkirk. Since 2001, the company has responded to pressures from increased waste costs by implementing a structured and progressive waste minimisation programme designed to reduce costs associated with waste, effluent, fuel and energy.

The results: Mathiesons has achieved significant savings in a relatively short period of time. Waste disposal costs have fallen by 66%, saving £12,000 a year. Reduced wastage of bakery products and frying oil has provided further savings of £3,700 a year. Total waste going to landfill has fallen by over 21%, or 31 tonnes per year, while other benefits include reduced raw material consumption, lower energy and water consumption, reduced effluent disposal costs, and increased staff awareness and involvement.

WHY IS THIS IMPORTANT?

- 350 businesses in Northern Ireland had their environmental activities and procedures assessed by Business in the Community's ARENA network in 2003. As a result one company saved £5 million and another reduced waste by 75%. Source: Business in the Community
- 86% of UK adults believe the environment is the most important issue for companies to focus on. Source: MORI Annual CSR Study, 2001
- 44% of European consumers surveyed are willing to pay more for environmentally and socially responsible products. Source: MORI/CSR Europe, 2000
- Practical trials show that companies can reduce their annual energy and waste costs by 10% without capital investment. Source: Envirowise
- 75% of SMEs have made no effort to reduce their impact on the environment. Source: Environment Agency 2003

HOW TO GET STARTED IN A SMALL WAY

- Identify your key wastes.
- Ideally, make one person responsible for driving the issue.
- Involve employees in identifying how to reduce waste and recycle, including buying recycled products.
- Calculate the potential savings and establish a recycling and waste reduction programme.
- Find out about services from your local authority.
- Communicate the programme throughout the business and to customers and suppliers.
- Monitor savings and re-invest into more environmental initiatives.

WHO CAN HELP YOU TO GO FURTHER?

Strengthening the performance of your business in the ways outlined here is really just a matter of common sense. But if you are committed to achieving major business benefits in this way, then help is at hand.

National Help

Business in the Environment (part of Business in the Community) is committed to helping companies benefit from tackling waste reduction and recycling.

www.bitc.org.uk/programmes/programme_directory/business_in_the_environment/index.html

Waste & Resources Action Programme (WRAP) is a Government-sponsored organisation which can provide information on how to reduce waste in your business and links to other organisations. **www.wrap.org.uk**

Envirowise offers practical environmental advice on a wide range of issues including waste. They offer free consultancy service to SMEs.

www.envirowise.gov.uk.

The Carbon Trust supports UK businesses in reducing carbon emissions.

www.thecarbontrust.co.uk.

Charities can also help you to dispose of unwanted goods usefully. In Kind Direct can give you advice. **www.inkinddirect.org**.

Local Help

Local authorities provide waste and recycling services and advice. Most regions have an organisation like Waste Minimisation Clubs dedicated to helping companies with money-making ways to cut waste and recycle products. Check with your Chamber of Commerce.

Online Help

Information and links can be found at the Government's sustainable development site **www.sustainable-development.gov.uk/index.htm** and the Department for Environment, Food and Rural Affairs. **www.defra.gov.uk**.

Reduce the Use is a website devoted to 'bringing small business into the environment'. **www.reducehouse.co.uk**.

IT'S COMMON SENSE

This briefing paper is one of a series of +points that make up The Journey – a route map designed to help you build a business that people value. You need only do one if you like. It's your journey. It doesn't have to be time consuming or complicated. It's basically common sense.

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