



# **Beyond the Bag**

### 2022 Pilots & Programs in New Jersey & Beyond: Innovator FAQ

As an increasing number of policies come into effect to spur more sustainable bag choices, including reuse systems and enabling technologies, the Consortium to Reinvent the Retail Bag, which has worked with 9 winning innovators and convened 14 retailers to date, is well positioned to support connection and coordination among retailers and innovators, identifying best practices for impact on the ground.

Moving forward, we are excited about the progress of each of the Beyond the Bag Challenge winners and look forward to supporting them as they continue piloting their solutions—by providing the resources needed to advance systems change and spur the transition to a more circular economy.

### **Frequently Asked Questions**

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# What is the Beyond the Bag Initiative, launched by the Consortium to Reinvent the Retail Bag?

The Beyond the Bag Initiative, launched by the Consortium to Reinvent the Retail Bag, is a multi-year collaboration across retail sectors that aims to identify, test and implement innovative new design solutions that serve the function of today's singleuse plastic retail bag, delivering ease and convenience for consumers while striving to lessen the impact on the environment. The Consortium engages with stakeholders across the bag value chain, including innovators, suppliers, materials recovery facilities, municipalities, advocacy groups and others to support this collaborative approach designed to promote viable market solutions that can scale, and bring value to retailers, customers and end markets.

The Beyond the Bag Challenge, a critical part of the broader Beyond the Bag Initiative, sought to identify near-term and long-term solutions that reimagine how to get goods home from an in-store purchase, from curbside pick-up, and local delivery. Over 450 innovators from around the world submitted their ideas on how to reinvent the retail bag, and nine winners were selected across three categories: Reuse and Refill; Enabling Technology; and Innovative Materials.

### Who are the Partners of the Consortium to Reinvent the Retail Bag?

The Center for the Circular Economy at Closed Loop Partners manages the Consortium to Reinvent the Retail Bag, which launched the Beyond the Bag Initiative. CVS Health, Target and Walmart are the Founding Partners of the Consortium, with DICK'S Sporting Goods, Dollar General, The Kroger Co., The TJX Companies, Inc., and Ulta Beauty as Sector Lead Partners; Ahold Delhaize USA Brands, Albertsons Companies, Hy-Vee, Meijer, Wakefern Food Corp., and Walgreens as Supporting Partners; Conservation International and Ocean Conservancy as Environmental Partners.

<u>The Center for the Circular Economy</u> at Closed Loop Partners unites competitors to tackle complex material challenges and to implement systemic change that advances the circular economy.

### Who are the winners of the Beyond the Bag Challenge (February 2021)?

In February 2021, the Consortium to Reinvent the Retail Bag announced the nine winners of the Beyond the Bag Challenge: ChicoBag, Domtar, Eon, Fill it Forward, GOATOTE, PlasticFri, Returnity, SmartC (a solution co-created by 99Bridges and Envision Charlotte) and Sway.

# What is the benefit of collaborating with Closed Loop Partners and the Consortium to Reinvent the Bag?

The Consortium to Reinvent the Retail Bag offers a strong platform for collaboration across the bag value chain, creating pathways for partnership across key

stakeholders and offering holistic insights on how solutions work on the ground. The Consortium's ecosystem fosters connectivity, driving the long-term, transformational thinking needed to solve this challenge and scale solutions.

The Beyond the Bag Initiative is different from many design and innovation challenges as it continues to guide and nurture innovators beyond the initial stages of design and aims to find and scale long-term solutions to the benefit of all.

# How do Beyond the Bag Challenge winners work with the Consortium to Reinvent the Retail Bag?

Upon winning the Beyond the Bag Challenge, each of the winners received a portion of \$1 million in prize money. In 2021, select winning solutions participated in multiretailer pilots in Northern California, across a total of nine stores of the Consortium's Founding Partners—CVS Health, Target and Walmart. In addition to the in-store pilots, other winning solutions from the Beyond the Bag Challenge were tested in different contexts. The pilots evaluated multiple factors, from technical feasibility to desirability, testing solutions to see what resonates with customers and retailers and brings value to the recovery system after use.

Following these pilots, the Consortium to Reinvent the Retail Bag continues to engage with winners of the Challenge, serving as a platform to facilitate connectivity with and across retailers, strengthening communication channels across stakeholders, and continually aggregating and building on lessons learned for stakeholders to utilize and amplify impact.

# What are the details of the Beyond the Bag pilots that took place in Q3/Q4 2021?

- The <u>Consortium to Reinvent the Retail Bag</u>, with Founding Partners CVS Health, Target & Walmart, reached a significant milestone in August 2021, a year after its founding: the launch of a series of tests and first-of-a-kind multiretailer pilots to advance sustainable alternatives to the single-use plastic bag and accelerate their potential to scale
- These pilots and tests helped refine winning solutions from the Consortium's global Beyond the Bag innovation challenge. The pilots evaluated multiple factors, from technical feasibility to desirability, testing solutions to see what resonated with customers and retailers and brought value to the recovery system after use (e.g. recycling and/or composting facilities). There is still a lot to learn when it comes to sustainable innovation and systems change, and these pilots helped gather insights in real time
- The multi-retailer pilots began on August 2nd on a rolling basis in Northern California, testing four winning solutions across a total of nine stores of the Consortium's Founding Partners—CVS Health, Target and Walmart. The solutions being tested were:
  - <u>GOATOTE</u>'s kiosk system that allows customers to borrow clean, reusable bags anywhere a kiosk is found.

- <u>Fill it Forward</u>'s tag and app connects to the reusable bags consumers already own, incentivizing reuse by providing opportunities for customers to support charity organizations, earn rewards and track environmental impact.
- <u>ChicoBag</u> eliminates a common pain point for consumers: remembering to bring a reusable bag. Their service enables customers to borrow reusable bags on-site and get rewards for each reuse.
- <u>99Bridges</u> operates an IoT (Internet of Things)-powered technology, and is the creator of the Mosaic app. The Mosaic app incentivizes shoppers to reuse bags through universal rewards across all retail brands and enables a circular system with end-to-end tracking. Note: For this pilot, ChicoBag was powered by 99Bridges' technology.
- In addition to the in-store pilots, other winning solutions from the Beyond the Bag Challenge were piloted and tested in different contexts. Returnity and Eon piloted through Walmart delivery in select markets. These pilots tested a different part of the retail system, knowing that people shop in various ways—ranging from at home to in store.
- Domtar, PlasticFri and Sway—companies developing innovative, alternative materials to single-use plastic—are undergoing rigorous material performance and recovery testing, to optimize their designs to meet the needs of retailers and customers, and match the specifications of recovery facilities that process these materials after use.

### What did the Beyond the Bag pilots test for and what insights were gained?

Across winning innovators and partner retailers, the Beyond the Bag pilots helped identify what solutions resonate most with customers, how customers and employees use the systems, what provides value to retailers, what the environmental impact is and how innovators' solutions can evolve. All these learnings inform and support innovators and retailers in how they navigate new policies in different geographies, including New Jersey's forthcoming laws related to bags.

# How are upcoming pilots connected to the Consortium to Reinvent the Retail Bag?

The Consortium to Reinvent the Retail Bag helps connect and facilitate communication across innovators and partners, as they continue to test new bag solutions on the ground. Given that the opportunity to continue momentum and the core tenets and grounding principles form its foundation, the Consortium continues to act as a collaborative platform and resource for innovators and participating partners to actively engage with. Across its ecosystem, the Consortium's unified voice helps amplify impact and storytelling, as well as helps create the market signal to other stakeholders across the bag value chain to follow suit, toward a more sustainable future.

#### How should winners talk about Consortium Partners engaged in these pilots?

As some Consortium Partners engage in upcoming pilots and programs in New Jersey and beyond, this is an opportunity for innovators to highlight their continued engagement with partners of the Consortium to Reinvent the Retail Bag, and benefit from the amplification and collaboration platform that the Consortium provides. While these pilots are not organized by the Consortium itself, the ongoing relationship between innovators and partners is a testament to the importance of continuous partnership in building on lessons learned and operationalizing solutions on the ground.

## How do upcoming pilots build on the Beyond the Bag pilots?

Moving forward, the Consortium continues to support innovators and retailers who participate in these upcoming pilots and programs. Insights gained from the 2021 Beyond the Bag pilots aim to serve as a foundation for any additional lessons learned, as insights and best practices continue to be refined. The learnings from the Beyond the Bag pilots become especially relevant as we look toward New Jersey's new bag-related policies coming into effect in May.

## How does forthcoming policy from New Jersey impact upcoming pilots?

Starting May 4, 2022, a law signed by Governor Phil Murphy in New Jersey comes into effect, prohibiting the use of single-use plastic bags in all stores and food service businesses statewide and single-use paper carryout bags in grocery stores that occupy at least 2,500 square feet. This law will spur and accelerate the deployment of reusable alternatives to the single-use plastic or paper bag, as many of our Consortium Partners' daily operations are impacted. Since its inception in 2020, the Consortium to Reinvent the Retail Bag has been working to catalyze innovation around sustainable alternatives to the single-use plastic bag, identifying over 450 potential solutions, testing and piloting nine winning Beyond the Bag solutions, evaluating materials recovery solutions, and studying consumer insights and policy levers. Knowing the diversity of applications for the single-use plastic bag, from carrying clothes, to groceries, to medicines, alongside the varied geographic and social contexts, the Consortium has continued to test a whole suite of solutions and scenarios where alternatives to plastic bags can be deployed.

Thus far, the deep learnings across the Consortium's work have been shared with innovators and disseminated across the 14 retail partners, helping to guide and inform strategies around the implementation of alternatives to single-use plastic bags in states like New Jersey and beyond.

The change in law in New Jersey will serve as an important testing ground for alternatives to the single-use plastic bag, accelerating experimentation and learnings across different contexts in the United States. With every different test and iteration, we learn more, benefitting from additional data points and pressure testing of new systems. The Consortium will continue to test, listen, learn, and collaborate to gather and disseminate the collective findings from a diverse suite of learning opportunities, including new in-market tests in New Jersey and beyond. The ongoing learnings will be shared with diverse stakeholders including policymakers, industry groups, NGOs, among others, helping to align incentives and efforts to enable the success of new systems. Ultimately, the Consortium aims to accelerate the catalytic change to a more sustainable system.

# How will Closed Loop Partners support Beyond the Bag innovators as they continue to pilot their solutions?

As the managing partner of the Consortium, Closed Loop Partners will support innovators from the Beyond the Bag accelerator who continue to pilot their solutions, serving as a connector with Consortium Partners as the new law comes into effect in New Jersey.

Specifically, in the lead up to May and thereafter, Closed Loop Partners will continue to create shared messaging and communications assets around reuse and singleuse bag alternatives, so that both innovators and retailers can collectively draw on these materials to create strong, coherent messaging. We will use our own social media channels to further celebrate ongoing efforts and pilots of each of the Beyond the Bag winners, ensuring a continued drumbeat around Beyond the Bag. Ultimately, by driving greater connection across innovators and Consortium Partners, Closed Loop Partners can help catalyze change.

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