### Supporting Business Adaptation During COVID-19 Case Study





ShareWares is a new venture based in Vancouver working on an "affordable citywide circular economy platform where numerous types of reusable packaging and containers are filled, rented, returned, sanitized, and redistributed". Founded by Cody Irwin of Natural Source Healthy Office Snacks (Natural Source) after the start of the COVID-19 pandemic, ShareWares is an example of how local businesses can breed innovation in sustainability during times of crisis.

### **Business Before COVID-19**

Natural Source has been in business for over 10 years in corporate food service, with a primary on office kitchens for technology companies. As Cody described, "Our clients wanted the best of the best for their staff so we offer best-in-class services including keeping their kitchens plush with fun premium goodies, and trendy perks like kegerators flowing with kombucha, cold brew and beer." Business was going smoothly, and then everything changed when the COVID-19 pandemic. With staff shifting to remote work, the company lost most of their key office-based clients in the digital tech space. While they made some small pivots, like offering snack boxes for people working from home, it was not enough to support the business.

"When COVID happened we went to zero with a bullet. We dropped 98% in revenue in four days."

#### From Office Snacks to Reusable Wares

In light of this drastic change, Cody started looking at potential projects to see what opportunities they could explore while their regular business was disrupted. He thought about the large number of single-use plastic containers that they used in their snack business and wondered, "What would it look like for an entire world to operate on all reusable containers?". He started talking to businesses in the packaging space and noticed that those working in the circular economy space were still not using a cradle-to-cradle design; when items break, they still go into recycling where products are oftentimes downcycled and not recycled at all into new packaging products. He found an unfilled niche and decided to do something about it: a reusable container platform at a city level that is truly closed-loop and could be adapted for other cities.

## Creating a Circular and Open-Source System

Cody considers Vancouver to be a "perfect demographic of people, purpose, and policy" for starting ShareWares due to its growing digital innovation and environmental sector, along with supportive policies such as the Single-Use Item Reduction Strategy and the recently passed motion to improve the circularity of Vancouver's economy. He identified cups and containers as a starting point for ShareWares since there's an estimated 441 million units of these items that go to landfill and incineration each year in Metro Vancouver. The platform will operate in a similar way to the existing beverage container deposit and refund system for recycling, but instead of recycling, they will wash and reuse the wares. They plan to do a soft launch with businesses at the beginning of 2021 with a few reusable wares such as coffee cups and take-out food containers. They are starting with basic products, like a community coffee cup that anyone could use, but businesses could request more premium cups and other forms of customization.

"It was an awakening, but we saw the pandemic as a huge opportunity. There was no business in what we're doing before with offices now closed. We couldn't generate enough revenue to sustainably operate for the next year or two even with government subsidies so we thought to ourselves, what else could we do?"

To address the circularity part of reuse, ShareWares is researching ways to chip, pelletize, and reform containers into new containers once they reach a point where they can't be reused. They are also looking into alternative materials for plastics, such as durable bioplastics made from inedible agricultural by-products as well as seaweed.

Shifting to bio-based products and considering reuse options is an emerging area, so research and testing is still pending to ensure the wares are food safe, can withstand numerous cycles of use and washing, and can be reformed. In addition, they need to assess the full life-cycle impacts of these wares. In other words, following a design process with the end-of-life in mind is crucial for a truly closed-loop system.

"We need to keep the molecules clean and in our possession to make it work. Because the traditional recycling program just does not work."

While product and market development is in progress, Cody and team are reaching out to other cities to engage and share this information as open source, as well as start conversations on setting standards for wares – such as sizing. This project is an ambitious undertaking, as Cody remarked, "Designing for city-wide circularity and reusables has never been done before on a mass scale with all the nuances and everything flowing together. It's got to be a symbiotic relationship between the customers, containers, retailers, distributors, manufacturers, logistics companies, and the processing facility. There's a symphony that has to be written to make it all kind of work."







# Starting a New Business During a Pandemic

In just eight months, ShareWares went from being an idea to becoming a whole new venture. Cody shared some reflections on what has helped him to develop a new business amidst the COVID-19 pandemic.

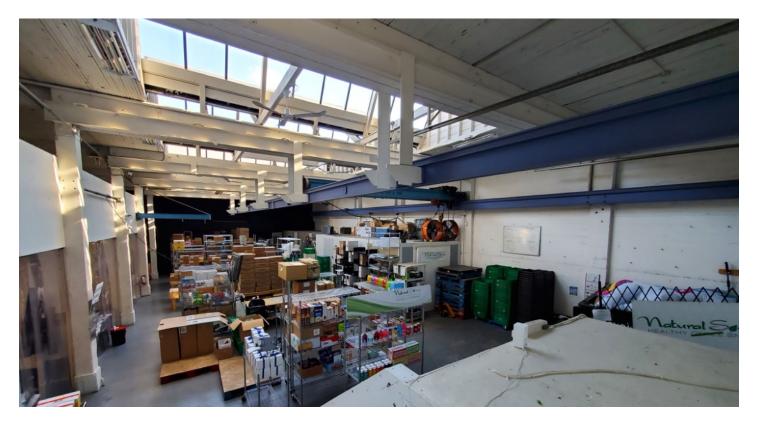
#### Be Resourceful

Cody is leveraging existing resources at Natural Source to launch ShareWares. He reflected, "We had all this stuff, infrastructure and everything to start any business. The stars had aligned. It was meant to be and an easy transition." His staff has experience in supply chain logistics, so they are helping with sourcing items like cups and developing systems for tracking using QR codes and RFID identification tags. Besides having an opportunity to do an interesting project, this work is also motivating for his staff because they can see the value in the actions that they do in contributing to sustainability. As Cody puts it, "the purpose really motivates and inspires people."

In addition to staff resources, Cody is finding uses for existing physical and financial resources. Using equipment that was previously purchased, the kitchen at Natural Source was renovated to be a Food Safe facility and will be used for washing reusable containers. The kitchen is also being shared with Jarr, a zero-waste grocer that is using the space for light food production. The delivery vehicles are going to be used for container pick-up and drop-off while they are already out doing deliveries for Natural Source and Jarr. In addition, Cody applied for government business subsidies, which were "really helpful in keeping the lights on" during the business development stage.

"I've based my whole life on being resourceful, like all the time, that's my jam. I was able to repurpose things that I do have and build my life around it."





### Work with Students

ShareWares is also partnering with multiple universities on student projects to foster innovation while offering valuable learning experience to youth. For example, given his background in mechanical engineering, Cody is planning to employ a suite of automation technologies to streamline the systems for collecting and tracking wares so it can operate efficiently at scale. He's working with engineering students from the University of British Columbia to design smart bins for food retail environments so people can return their reusable wares. He is also planning on working with Make+ at the British Columbia Institute of Technology to evaluate reusable food containers made from bioplastics and other commonly used materials. Furthermore, he has design projects proposed with Kwantlen Polytechnic University and Emily Carr University. While working with students has its benefits, they also need mentoring and support.

"Often with school projects you get what you pay for, but if you're available for support and put in the time, then they can be a fantastic winwin resource."



# Be Bold and Talk to People

Restrictions on in-person gatherings and travel did not stop Cody from reaching out to stakeholders in the packaging sector and beyond. He is meeting numerous people, from resin producers to small grocers, researchers, and politicians to learn as much as he can about the sector and form new partnerships. The feedback so far has been overwhelmingly positive. Cody observed, "if you're doing something good, if you're doing something with social purpose or in the environmental realm, people want to help you because they truly want to see progressive change in the world."

Written by Belinda Li, edited by Tamara Shulman. Thank you to Cody Irwin for sharing insights and experiences from ShareWares and Natural Source. Revised: 2020 December 11.