



CORPORATE CITIZENSHIP

Sustainability, Simplified.

Ahead of the Curve

- Discussing how the circular economy unlocks business value

Live text based Q&A hosted by Corporate Citizenship

January 2015

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Introduction

What we did

Following the release of our paper “[Ahead of the Curve](#)” discussing how the circular economy unlocks business value, Corporate Citizenship (CC) hosted a live text-based circular economy Q&A session on the CC website. Considering feedback we had received from companies about the circular economy, the discussion focussed on four themes, with a central aim to help companies define the business case and get going. We hand picked a panel of experts - each working on various aspects of the circular economy - to keep the debate tangible for our audience. This report provides a summary of the questions and answers provided.

Key themes

1. Why now? Examples of innovative companies working towards the circular economy and how it's making a difference to their business.
2. Identifying which circular interventions are best for your company/getting started.
3. Developing circular economy business models.
4. Exploring how to tackle key challenges/best steps forward.

Panel Members



Steven Moore – Net Good Consultant, [BT](#)



Patrick Andrews– Author, Business Advisor and former Head of Governance, [Riversimple](#)



James O'Toole – Global Partnerships Manager, the [Ellen MacArthur Foundation](#)



Jesse Putzel – Senior Sustainability Manager, [BAM Construct UK](#)



Megan DeYoung – Director, [Corporate Citizenship](#)

Why now? Examples of innovative companies working towards the circular economy and how it's making a difference to their business.

Why now?

It was widely agreed that while the circular economy covers a lot of past concepts such as cradle to cradle and lifecycle analysis, it has gained popularity due to the holistic and positive nature in which wider sustainability concepts are spoken about. This is a break from the past. Concepts such as the sharing economy, zero waste, big data, upcycling and consumer centred design are all components of overarching circular economy principles. Moreover, the circular economy validates the business case by speaking in a language of embodied economic value, cost savings and profit.

What strategies are you using to apply circular economy principles to your company and how are these working for you?

Many companies are at the research, testing and piloting stage of their circular journey. This is being done through gathering intelligence over the lifecycle of products and services. Key to this is to understand the wider implications of the company – which is inextricably linked to a better understanding of consumer behaviours and core stakeholders.

What are some success stories of 2014?

- [Delta Developments](#), Netherlands- linking property to health and well-being
- [Ecovative](#), USA- insulation and packaging materials made from mushrooms
- [Riversimple](#), UK- hydro-car using a leasing business model
- [ATMI/Entergris](#), USA- extracting precious metals from eWaste

"Waste is just resource
in the wrong place" ~
Jesse Putzel

Identifying which circular interventions are best for your company/getting started

How should companies identify which 'circular principles' are suited to them?

Companies should take a systems level approach when assessing their operations- looking inside the company, outside the company and at wider implications. In terms of identifying which circular activities should be pursued, it is those which hold the greatest economic value or the lowest hanging fruit that are strong indicators over where to start. For every company, this assessment phase is unique and very important!

Are some operational departments more difficult to convince than others?

Commercial and financial departments can be difficult areas to convince. Overcoming this comes down to understanding the long term business case first, before strategic engagement. Education and awareness of product teams and suppliers were mentioned as additional leverage points.

What would you say are the hallmarks of a true circular economy plan?

There's no one size fits all solution! However, the panel offered many practical steps including:

- Measure circular indicators
- Cross sector collaboration
- Education and awareness
- Creating space for innovation
- Communicate success stories

.....
".....embracing a circular economy is about a change of mind-set, and that will inevitably be accompanied by new measures, new processes and new ways of doing things." ~ **Patrick Andrews**
.....

Developing circular economy business models

Is it easier for some industries to transition from a linear to circular model than others?

A few scenarios such as having stable product designs, products with short lifecycles, B2B models, and products with high material value would be easier to transition. The panel also commented on the luxury goods sector having a role to play in promoting longevity of product use. There is also demonstrated potential for the FMCG sector. Challenges are complex global supply chains, cheap and abundant products, and industries facing multiple stakeholders. This should be tackled through active engagement.

How can the circular economy become relatable and attractive to the investor and consumer?

We need to demonstrate positive outcomes by doing! More pilot tests to identify benefits that everyone can relate to on a micro level.

Product to service models- what are the key differences?

Companies are beginning to play with their business models and explore the potential brought by service and performance based models. A good example is Phillips, which, having disrupted itself, is now focussed on leasing its equipment. Key differences to product based models: less reliance on resources, focus on quality of product as opposed to cost, dedicated customer base and service revenue, and companies retaining greater ownership.

How important are product take back channels in order to ensure companies can profit from goods at the end of their life?

The important role of logistics and waste management networks were central to this discussion; as key waste/resource intermediaries.

Exploring how to tackle key challenges/best steps forward

Barriers

- Mindset- as Donella Meadows said, this is the greatest barrier to systems change.
- Language- we need to stop talking about waste and much more about resources and embodied value.
- Policy instruments- are we taxing the right stuff and encouraging the right industry behaviour?
- Short term thinking – what will the food industry look like in 20 years time?

Opportunities

- Digital start ups are key to providing enabling support for the circular economy.
- Understanding new consumer behaviours and stakeholder demands better.
- Adopting new business models to reflect changing market dynamics.
- Optimise on opportunities to collaborate in order to think and act in systems e.g. [Project Mainstream](#).

We asked the panel “what if”

“What if we could we could bring love into the heart of our businesses and our marketplaces? This would circulate and affect everything we do. Sounds utopian, I know, but boy what an inspiring thought” ~ **Patrick Andrews**

“What if we move past excuses and truly appreciated the system in which we all operate in order to make change that transforms? ” ~ **Megan DeYoung**

“What if... the goods of today are the resources of tomorrow at yesterday’s prices” as Walter Stahel suggests?” ~ **James O’Toole**

“What if we all focused on doing more good rather than less bad? If we did that for all of our buildings, we’d have no waste, less bills, healthier and happier lives.” ~ **Jesse Putzel**

“...What if together we can all make a difference!” ~ **Steven Moore**

In Summary

- The circular economy integrates many past concepts but adds an economic value to it. This integrated approach has captured a lot of attention.
- We are still in the early stages of pilot testing but a critical mass is being built around new business models, design concepts, materials and value networks.
- Mindsets are hard to shift, but through research, education, tailored language and a gradual build of evidence, there is belief this will change.
- Systems change is central to the circular economy. This will help understand latest behaviours, opinions of stakeholders, lifecycles of products and services and where to get started. In today's world, realising the full implications of a company's presence is significantly helped through collaboration.
- Companies need to assess how the world is changing around them to stay on top! Leading companies are taking greater ownership of their supply chain, or disrupting themselves all together.

Get involved!

The Q&A session will take place in the **comments box** beneath this editorial post, this will run as a typed chat/posting conversation.

How to get involved:

- Type your question into the **comments box** below – these will not show automatically but will instead be shared as the Q&A proceeds.
- Tweet your question to **@CCitizenship** using **#askcircular**
- Email questions directly to us at **mail@corporate-citizenship.com**

Then join us live on the 8th January between **4:00PM – 5:00PM GMT** when our panel will be answering as many of your questions as possible. Questions and answers will be typed into the comments boxes below.

We look forward to receiving your questions!

107 Comments

Tweet 117 Share 60

Looking forward to a stimulating discussion and looking forward to hearing about people's experiences and thoughts on moving a more circular economy forward.

by: **Jesse Putzel**, Tue Jan 6, 2015, 14:52

[» Reply](#)

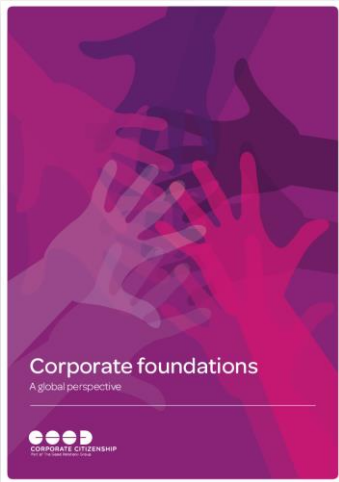
Welcome! In just under an hour we will be joined online by our fantastic panel of experts

Join our audience of over 200 and keep the dialogue going by posting any comments or questions on [here](#) and we will endeavour to come back to you. If you would like to understand the circular economy more, take a look through our latest [paper](#).

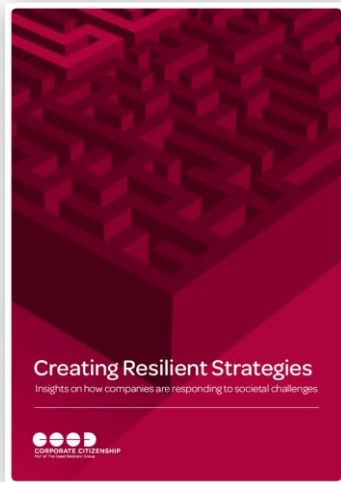
About Corporate Citizenship

- We are a global business consultancy specialising in sustainability
- Experienced teams based in London, New York and Singapore
- Further representation in San Francisco and Santiago
- Established in 1997, we are one of the longest-standing specialist sustainability consultancies
- We have a strong network in public and private sector, with NGOs and international organisations
- Projects completed in over 40 countries; regions include Africa, India , South East Asia and Latin America
- We have advised 50% of FTSE 100 and work with smaller to medium sized companies as well
- Part of the [Chime Communications PLC](#) group (London Stock Exchange: CHW.L)
- [Our team](#) of 30 + have valuable in-house knowledge, each with their own expertise area
- We have published over 40 thought leadership papers within the last 17 years
- [Corporate Citizenship Briefing](#) is published daily and monthly by Corporate Citizenship
- Founded and continue to manage [LBG](#), the globally recognised measurement framework for corporate community investment. LBG is used by over 300 international corporations.

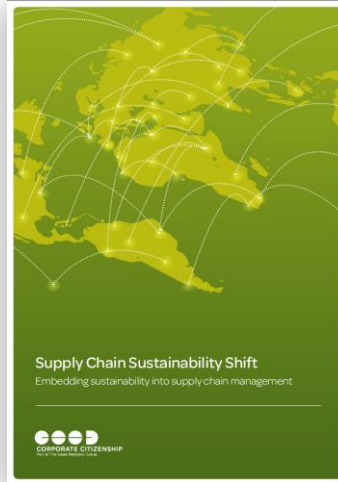
Some of our latest papers



Through International case studies and discussion drawn from our own experience of corporate foundations, this paper explores models of delivery; benefits to business, foundation and society, and how corporate foundations are adapting.



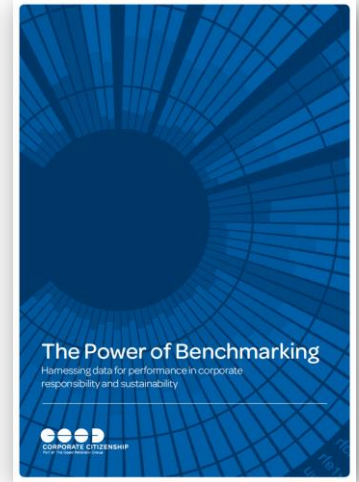
Are strategies far-sighted and robust enough to cope with a fast-changing operating context? This paper explore the insights and experiences of 16 global companies as they strive to create resilient strategies.



In this paper we set out key challenges that companies face as they begin to integrate sustainability aspects in their procurement practices . We also explore the factors which are driving the supply chain sustainability shift.



Our circular economy paper unravels the complexities around the topic and presents it in a compelling, easy to read language – packed with best practice and advice that companies can relate to. A very popular paper.



Data is crucial to understanding and improving company performance, but data in isolation is meaningless. This paper outlines the values and benefits of benchmarking and offers best practice advice on how to conduct a benchmark assessment

All of our papers can be downloaded from the Corporate Citizenship [website](#).

Contact us



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