### **VERMONT'S BOTTLE BILL - HOW THE MONEY FLOWS**

#### STEP 1: SALE OF PRODUCT

# PRODUCT MANUFACTURER / DISTRIBUTOR

m/d charges the retailer a  $5\phi$  deposit + a  $3.5\phi$  handling fee per container (at this point the m/d is holding  $8.5\phi$ \*

#### **RETAILER**

charges the customer / consumer 8.5¢ (at this point the retailer is even)

#### **CONSUMER**

pays 8.5¢ when purchasing the product (at this point the consumer is out 8.5¢)

#### STEP 2: RETURN OF THE CONTAINER

#### **CONSUMER**

returns the container to a redemption center or retailer and gets back the 5¢ deposit (at this point the consumer has paid 3.5¢ to cover the handling fee)

#### RETAILER

pays the consumer the 5¢ (the retailer is now out the 5¢ deposit + has incurred the handling costs)

## PRODUCT MANUFACTURER / DISTRIBUTOR

pays the retailer 8.5¢, the 5¢ deposit + the 3.5¢ handling fee – the m/d is now even and the retailer is now even

In summary, costs are passed on all the way through the system so that it is the consumer paying the costs associated with recycling: i.e., the handling fee.

\*Although not required by law, most beverage manufacturers/distributors pass the 3.5 cent handling fee per container onto the retailers and retailers pass it onto the consumers.