Morrisville Beverage 81 Bridget Street Morrisville, VT 05661 Ethan Hayes – General Manager

Testimony in Support of H.158 February 15th, 2023

Thank you for inviting me to speak today. My name is Ethan Hayes, and I am the General Manager of Morrisville Beverage an independent beverage store, Vt liquor agency and certified bottle redemption center. We operate a large redemption center in Lamoille County and process approximately 4.8 million containers per year.

We support H.158 and the expansion of containers that are proposed and the provisions that would be enacted to make that a reality. We believe that keeping more containers in the closed loop benefits the environment, reduces supply chain issues as more containers are remade into new ones, and provides an incentive for Vermonters to recycle their containers unlike single stream bins.

In 2021 our company invested significantly in upgrading our facility and technology to allow us to process an addition volume of containers, increase efficiency, and reduce fraud. Prior to October 2021 we were a hand count only facility with two full time employees. We were the first privately owned redemption center in the country to purchase and utilize new bulk Reverse Vending Technology. Unlike traditional RVM's the new model allows customers to redeem up to 100 + aluminum cans, and plastic bottles combined at once thereby reducing wait times, and accounting for the many brands and container sizes. This process also reduces the amount of square footage dedicated to sorting and bagging as the machine compacts all containers and provides an accurate count to Tomra. The containers are automatically sorted by material type and dropped into bins for ease of pickup. What used to be an entire tuck of bags is now several bins taking up a quarter of the truck space. Rejected containers are verified visually and if they are an allowable container then the customer is given their deposit and the container is checked against the Tomra database for inclusion after distributor confirmation.

We still employ all the employees we had prior to our upgrades, have not cut one hour from an employee's schedule, and pay them well above minimum wage. What the RVM has allowed us to do is to allocate our labor in more productive

way. Instead of spending hours sorting through the hundreds of distributor sorts our employees are assisting customers more directly, maintaining a cleaner facility, and providing much needed labor in the front of our store.

Automation is not the end all answer but what technology has allowed to do is be prepared for an increased volume in containers that an expanded bottle bill would cover. It also helps us reduce fraud by using the barcodes to verify if a container is in fact redeemable. We estimate to have saved thousands of dollars in 2022 in shrinkage due to more accurate counts, and not paying out on non-redeemable containers. Provisions in H.158 will assist in the process by requiring barcodes to be placed on all containers, and for the bar codes to be made available prior to the product being sold.

The efficiency that we have implemented has allowed us to expand our offerings to our customers to include a drop off program, pick up service, and an increased collaboration with local charity and nonprofits to host bottle drives.

We believe that enacting H.158 will move the bottle bill to the modern era and hep Vermont do its part in closing the loop, engage distributors and manufacturers in the process, make redemption convenient and sustainable into the future. I invite anyone wishing to view our facility to reach out and we would be happy to provide a tour.

Thank you for the opportunity to testify today and I'm happy to answer any questions you may have.









