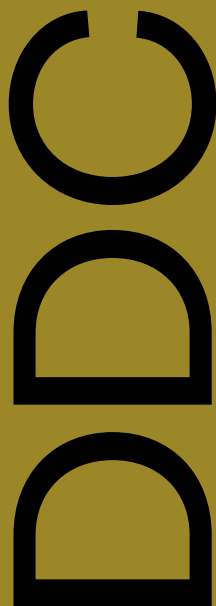


A User Study

Meet the people behind the circular transition



At the Danish Design Center we are determined to help develop a shared understanding and empathy for people working with and for the circular transition. Gaining insight into the visions and challenges of others is an important step in establishing the fruitful conversations and innovative relationships. The circular transition cannot succeed without those relationships.

Thus, we have conducted an in-depth user study focused on the human perspective of the circular transformation.

Enjoy.

ddc.dk

Dansk Design Center

DDC on tour



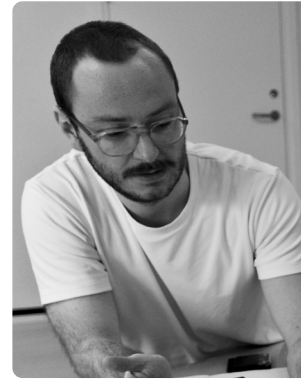
We set out to meet people and businesses all over Denmark. Instead of creating a comprehensive panorama, we conducted a smaller number of in-depth interviews with different profiles of actors. We would like to share these portraits and stories, which describe the hopes and challenges of organizations that interpret the circular idea in different ways.





Charles

Developing the necessary cultural foundations in a young but structured company and dealing with the codes of a very linear industry.



Robert

Structuring a company around a circular business model and managing the influence of external actors in this process.



Helle

Framing the actions of municipalities, which are at the intersection of many other actors, in transitioning complex systems towards more circularity.



Mona, Gunhild & Søren

Figuring out what efforts a service-based company can make to become more circular and what role it can play in its ecosystem.



Simon & Kasper

Finding ways to align the circularity transition of a historical company with marketing strategies and a renewed connection to customers.



Rebecca

Strengthening the circular principles of a local business and finding ways to increase its resilience by diversifying its business model.



‘We are at the point now where, as we are growing so quickly, we need to get this culture in the company now, otherwise it’s going to be too late.’

Charles

Sustainability & Production
Pas Normal Studios





We meet Charles in the courtyard of an elegant building overlooking the King's Garden in the central part of Copenhagen. We sense the hustle and bustle of the place as he helps a colleague load boxes into a van before taking us to the 3rd floor.

As we enter the offices of Pas Normal Studios, more stacked boxes await us, giving the impression that the office is a bit cramped. Charles confirms our feeling: 'It's getting a bit tight in here, we will probably have to move out soon.'

In his 3 years at Pas Normal, Charles has witnessed the company's great growth. Through his various roles as a graphic designer, intern, and now in sustainability and production, he knows the work of his colleagues: 'I know exactly how they work, I know the limitations and their mindset. {...} I spent a long time learning what people respond to.'

Thanks to an acclaimed rework of packaging, Charles was the first to implement his personal beliefs about sustainability within the company. As more initiatives followed, sustainability gained prominence on the corporate agenda of Pas Normal, and Charles gained influence. But at the beginning of our conversation he immediately grabbed the 'present' tile of our tool and pulled it all the way towards linearity: «Currently there is almost no circularity, apart from small pilot projects», he said. .

For Charles, working with circularity means standing at the intersection of internal and external actors. On the one hand, they are laying the necessary cultural foundations for a circular enterprise. For example, a few weeks before we met with Charles, the employees gathered to work together on sustainability goals. «We decided on them, we were motivated to achieve them, and now we are implementing them, which is really cool,» Charles says. On the other hand, he has to operate in a fashionable ecosystem that is historically very linear, where it is difficult to break codes.

'We changed from horrible plastic to nice brown paper. We got so many good compliments from it, and now it's almost like a trademark.'



'I started working on this topic like "okay let's turn into a green company now". It didn't work. So, I've gone backwards and I've tried to slowly infiltrate the culture.'

Facts

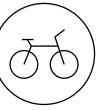
Name: Pas Normal Studios

Cycling apparel and accessories

Since 2016 - Copenhagen

Ca. 15 employees

Charles joined in 2019



‘One of the things that I established right at the start of my role here was to fix the returns that were broken. So anything that comes back and which is not perfect goes into my box.’



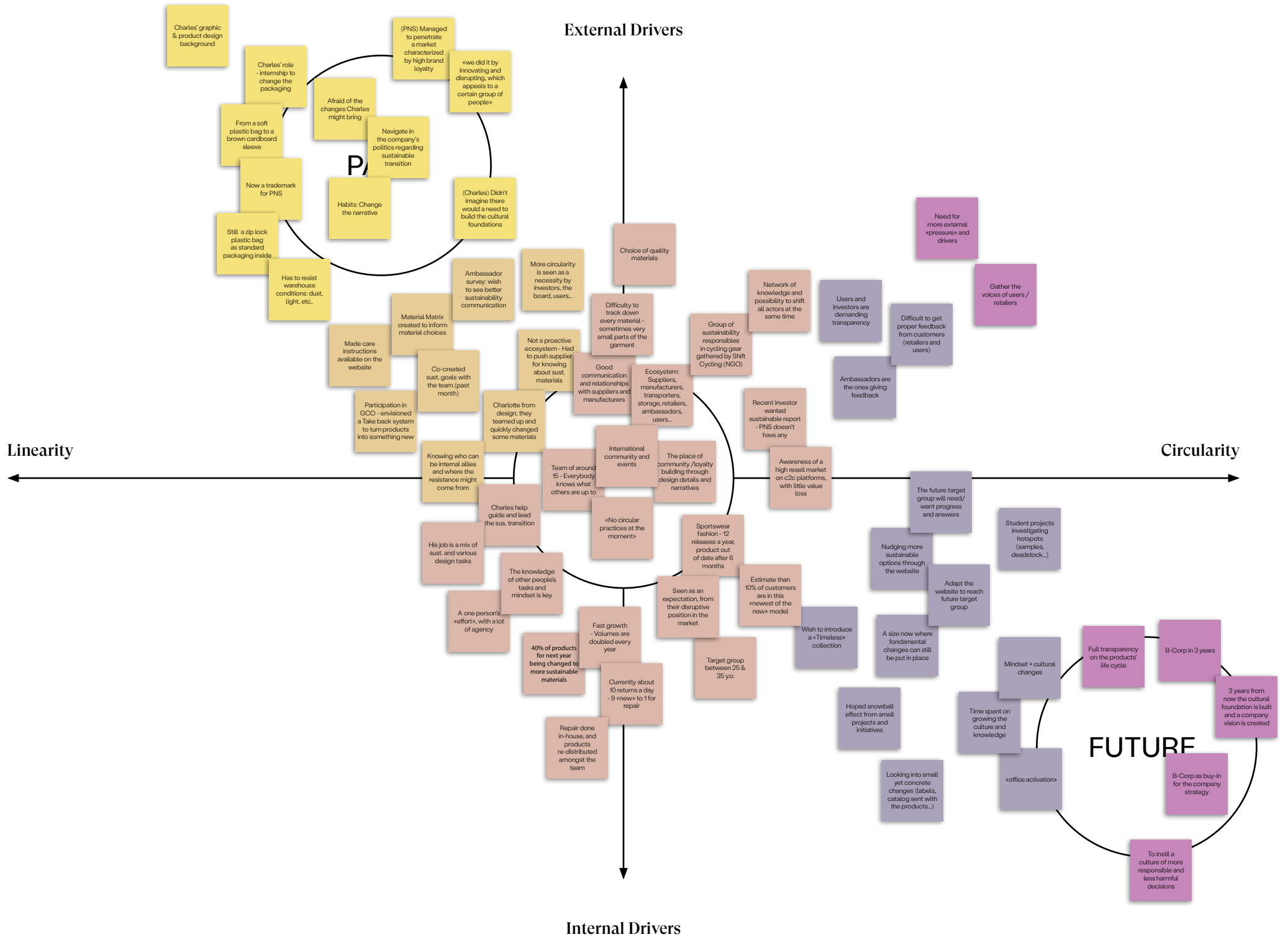
Combined with the rapid growth of Pas Normal, this leads to a rapid increase in product volume. ‘We have 12 different releases a year, some products lasts six months before they are out of date... It’s also a systemic problem, with the fashion industry and people’s expectations.’ Yet, in this seemingly static environment, we were stunned to hear about an ongoing collaboration between Charles and other sustainability responsables from competing firms in the cycling apparel field, brought together by the NGO Shift Cycling Culture.

I don’t think you’d have a competitive advantage if you had a recycled zipper, compared to your competitors. So why don’t we all just do it? Everyone wins.’

This way, he keeps sowing small seeds that he hopes will end up, like a snowball effect, deeply influencing Pas Normal’s culture and brand image. Repairing returned products, developing guidelines for material choice, developing the storytelling around the company’s journey towards circularity... Bigger seeds as well, like challenging his boss to become B-Corp certified, or increasing notably the brand’s transparency. ‘Even if it’s just something like getting a new recycling bin. That is something small but it’s very visual and then suddenly the culture shifts slightly.’

As the first interview of the user research, our conversation with Charles revealed important aspects of introducing sustainability measures and narratives into an established company and brand. The tension between what should be done while the company is still ‘small enough’ and the power it acquires as it grows was particularly interesting.

It was also pleasing to see our approach receiving full endorsement: ‘It’s so interesting to have you guys come in and ask me all these questions. It makes me think about what I am doing and why I am doing it’. Definitely a promising start.





4 key insights from Charles' experience

'I think we could do with some more external drivers. Yes, some pressure from people would be really helpful.'

The lack of mechanisms to trace products or collect feedback from downstream actors - retailers, end users, waste processing facilities...

The lack of visibility downstream

'I feel like there's a lot to be said about knowing people's skills in the company, knowing their drivers and leveraging them. I think that's definitely where I've had the most success.'

Developing the internal culture

Aligning colleagues around a common circular vision, understanding their drivers and motivations, and generating an 'enabling atmosphere' in the company.

The tension between what should be done before the company gets too big, and what will be possible when the company gets more power over its ecosystem.

Managing a quick growth

Navigating a linear ecosystem

When operating within historically linear industry - in Pas Normal's case, the fashion industry - one's circular aspirations may collide with the habits and codes of the industry.

'We are at the point now where, as we are growing so quickly, we need to get this culture in the company, because otherwise it's going to be too late.'

'It took me about four months to find out exactly what materials were in that jersey, because we didn't know, because the manufacturer chose some materials.'

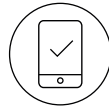


Robert

Co-Founder
at Kleen Hub

‘It’s not replacing a single use plastic with single use sugar cane, or bio plastic, whatever... It’s about changing the system from single use to reusable.’





‘If you create a system which is maybe better for the environment but which is inconvenient, users simply won’t join it.’

We are in the bustling and hip district of Kødbyen in Copenhagen. Robert has invited us to talk about Kleen Hub. While we wait, bicycles and delivery trucks pass by, and it also smells like food: arguably a suitable base camp for a start-up company that wants to revolutionize the way food services offer take-away.

Robert appears from a side door and takes us to the first floor of a coworking space, right under the exposed framework of this repurposed warehouse. We walk past several other startups housed in the same building and we follow Robert into the meeting room where Giuseppe, the second of the 3 co-founders, is working on his computer. «Giuseppe and Simon still have full-time jobs, but they will soon be working full-time at Kleen Hub.», Robert tells us.

They all began their journey after noticing how much trash was generated at one of their takeout meals. For Robert, it was clear that their business background was key to addressing this problem and realizing his belief in sustainability. ‘The business aspect, I know it will be the future. {...} We try to show that you can do something good while having a profitable business model.’

After being pre-selected for a National Geographic contest, their concept emerged. Various mentors and material experts challenged their initial ideas, leading them to give up on bamboo as their trademark and opt for the durability of stainless steel. It becomes even clearer as we keep discussing Kleen Hub’s genesis: their circular business model is the result of continuous learnings, refinements and of a strategic outlook on the market. ‘We listened to the market, we listened to the restaurants and cafes.’

We also understand how big a role the important meetings have played in their shaping process. From the feedback of the first partner restaurants to the crucial collaboration with Coffee Collective, who brought their experience, network and brand image. As soon as we got Coffee Collective, it was clear that we could get them all, because they were really persistent. They had such good questions that nobody had asked before.’ Robert also mentions more worrying approaches, such as when the trio first heard about Global Compact, an action group led by UN that brings together major players across the food-service industry. Initially it was a threat for us to reach out to these players because they are big, they have money... But actually they were lucky that we joined, being on the field already, testing.



‘The business aspect, I know it will be the future. {...} We try to show that you can do something good while having a profitable business model.’

Facts

Name: Kleen Hub

Reusable packaging solution - containers and app - for food services

Funded in 2020, Copenhagen

3 employees

‘Actually the big vision we have and that we will be working towards is being a digital solution, being a software-only service.’



FOOD
SPACE



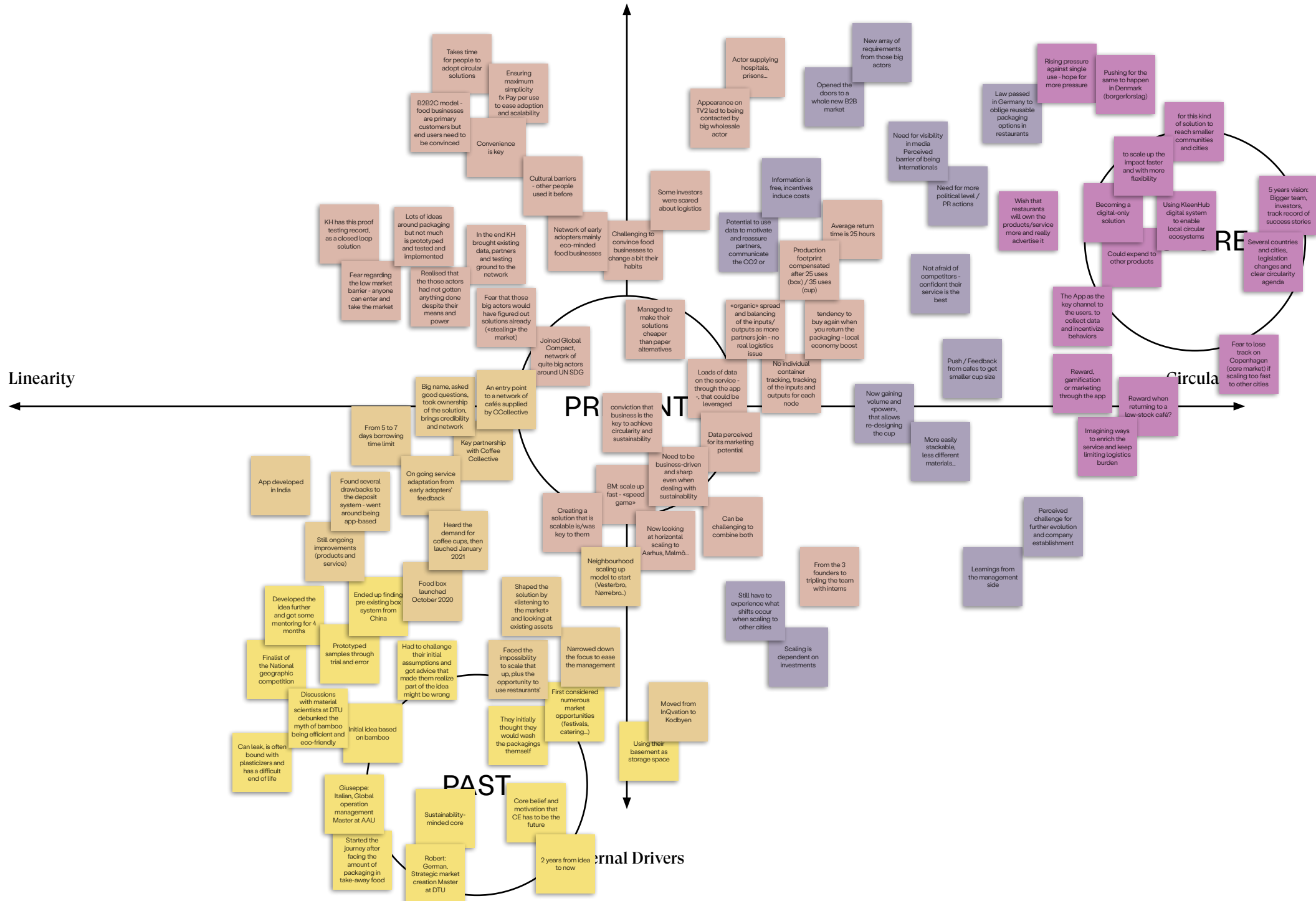
It is now very clear to them that Kleen Hub's expansion is all about scaling up fast, confident that it's also the key to increase their impact: 'For us it's really a speed game, so the more barriers we have, the worse it is for us'. This constatation drives them to keep reducing logistics in their system, and to focus on their key service: the mobile app. This app that they see as the core feature of their future, willing to become a digital-only service. 'There's so many possibilities with the data and the app we have! We could drive the user, or use it as a marketing tool'.

Robert also sees the need for them to build their image, visibility and PR dimension in the near future, expressing the hope of ultimately influencing behavior and policy. Along with other challenges that come with transitioning from a start-up to an established business.

For us, it was particularly interesting to dive into this burgeoning and bubbling ecosystem, where each new player could be both a threat and an opportunity, or could end up playing a key role in shaping the business model and the company. Also, we realized that is was challeging to elaborate on circularity when it is one of the founding principles of the company you are looking at: 'From the beginning we were circular, {...} So we don't need to compromise that with scaling up: it goes hand in hand.'

The Green Transition is also about 'Green Creation': we can not wait to witness the impact of Kleen Hub and other disruptors!

External Drivers





4 key insights from Robert's experience

'Good vibes are not enough, because it's a business and it's super challenging to be sustainable and good financially.'

Building a company from a circular business model comes with the challenge of keeping the core sustainability mindset while being competitive and financially viable.

Shaping a circular business

'We wanted to wash the containers ourselves. {...} But we thought "why should we wash it", because we spoke to restaurants and they have dishwashers onsite.'

Using the assets of existing systems

If you want to change an existing system, it is important to look at the existing resources and patterns in that system that can be leveraged and reused - to limit logistics and ease adoption.

As a young company in its structuring phase, any new actor entering the ecosystem can have a decisive shaping influence, for good but potentially also for worse.

Managing the influence of other actors

The 'identity tension' between software / service provider

Being enablers of the circular transition or being active actors of it might end up creating a slight identity crisis: are the customers businesses or individuals, and how should the brand be seen accordingly?

'So then, because of their feedback, we changed it, because Coffee Collective is such an important partner for us.'

'We have a vision for the future to enable circular economy for packaging. But you could use our app to track everything, it could be shampoo, it could be chairs...'



‘To me, one of the first things to do is to get a governance structure in place to ensure commitment and that food will be on the political agenda, without the political anchoring I think it will fall apart again.’

Helle

Project leader at Kolding's
Food2030 programme





We are meeting Helle at the brand new Sustainability House in Kolding. As we are getting closer and closer, we are spontaneously struck by its very central location in the city center. We take it as a first sign of the city's will to make its sustainability efforts visible.

Our impression is confirmed by the tour of the House, which brings together educational booths, meeting areas and working desks.

This versatile tool is the visible tip of Kolding's Sustainability Plan 2030. As part of this platform and as part of the EU project Fusilli, Helle has been responsible for the concrete efforts towards a more sustainable food system since January 2021. She has spent the first months of her mission getting a picture of the complexity of this system and finding relevant and impactful starting points. «I am still in the scoping phase!»

The project's approach is based on a series of Living Labs that act like magnifying glasses on the different parts of the food chain. To gain a better understanding of the situation, barriers and existing sustainable initiatives, the project is working with actors across the food chain. One of the first Living Labs is working with public canteens to create a roadmap for how they can become more circular. «First and foremost, we will build a knowledge base with all the lessons learned and experiences so they can share them as they have been working on reducing food waste for a number of years.»

She received encouraging and positive feedback on this initial approach, but at the same time she began to reveal some of the future challenges. Including the need to reignite the motivation of the canteen staff to continue working on this challenge, as it is no longer «the new black», but there is still so much that can be done. 'What I am really trying to crack in my head is this «how am I getting them re-motivated about food waste»'.

Some regulatory hurdles, too, as the canteens pointed at the impossibility to source organic AND local under EU regulations.

'That's what I'm hoping for, as it is a EU project that this kind of information will be addressed to the right people.'

'I can sense that Food Waste is not the new thing anymore, and there seems to be a «we have done what we could» mentality.'



'Right now the farmland out here is either rapeseed for oil, food for animals or Christmas trees for China. What I'm saying is that there is not much farmland around here for local food.'

Facts

Name: Kolding Kommune, Food2030 Program

Co-creation and development of a more sustainable food system in Kolding

Since 2021 - Kolding

Partnership between SDU and the Climate and Sustainability Department of Kolding Municipality.



‘This whole place is fantastic, but maybe the best case is that we’re not here in 10 years, because sustainability is integral part of the society: we don’t need to tell the story, it’s happening.’



These two examples illustrate the two dimensions of the challenge Helle faces: capacity building and behavioral change. The project will only run for four years, but their efforts must continue for the long haul. A food council is already in the making and she hopes to connect with local farmers who are crucial to building a local food scene. Although there isn't much in the current farming system is actually geared towards local supply chains. 'You know, they're businessmen, so they will only reallocate their fields, if they are sure to have a supply chain on the other end.'

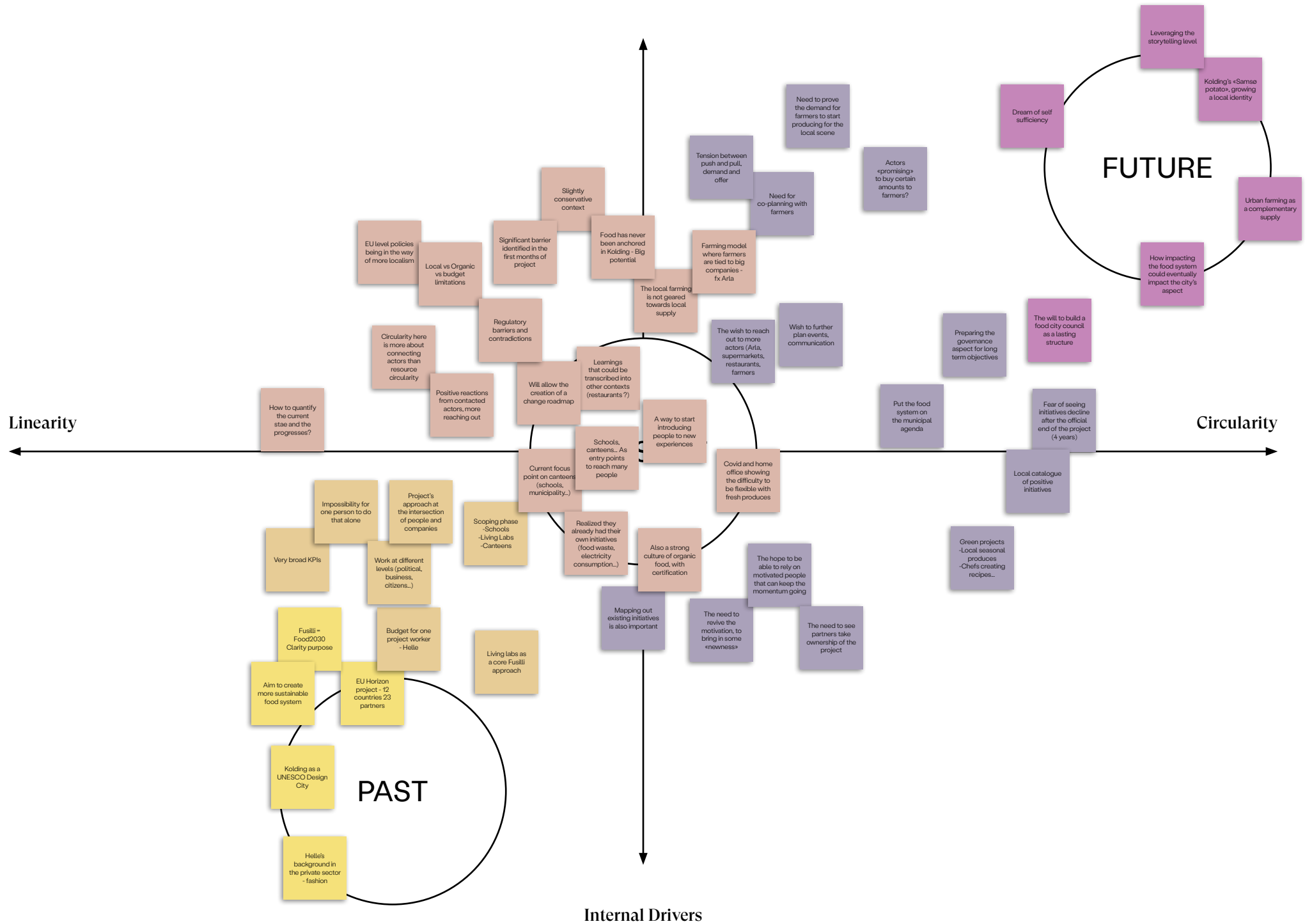
On the behavioral aspect, Helle sees the need to gradually introduce people to new experiences and habits. This is another area where canteens could lead the way: «This is where I see canteens as essential in addressing food behavior: they meet so many people every day and can introduce them to new food experiences or tell about them.»

She remains conscious of her immediate challenges, but Helle also dares to dream about the magnitude of the changes that a more sustainable and local food system could create in Kolding. Food gardens, urban farming... Ultimately, she hopes to develop a stronger local food culture, motivate local actors and make a clear position of Kolding's identity.

'A future dream is that we find out what is Kolding's "Samsø kartoffel": what should we be known for?'

In our conversation with Helle, we realized what a unique position local authorities are in when it comes to linking citizens and businesses, the political level and ground actions; the challenges as well, for one person to build the necessary momentum, motivation and capacity to instigate a lasting and sustained change. 'I think one of my bigger challenges right now is just figuring out how to manage this in terms of resources.' Let's see how much of a city can be changed through its food system!

External Drivers





4 key insights from Helle's experience

'This process is not only going to be about new elements. But I think we will have to spice it up {...} so they also feel they are adding something new.'

Helle faced food professionals who felt they had already been undertaking core efforts to fight food waste. How can we convince them that more can be done? How can we motivate them to accept a new?

Re-igniting actors' motivation

'I see it as essential to start introducing people to different foods, or just making them more aware. And I actually see canteens, because they are such a strong touch point, as essential.'

The need for entry points in complex systems

Complex systems such as the food chain can be overwhelming. One might need to identify entry points that permit a better understanding of the whole system, while providing a first channel to start influencing it.

Fusilli, and Helle, will only be active in Kolding for four years. Nevertheless, changing the food system is a long-term goal, and Helle is already aiming to build the structures and culture to sustain this effort after she leaves.

Developing the capacity to sustain project's efforts

'Also the long term perspective: to not only keep them motivated for four years, but to ensure that hopefully they will be up and running to work with it on an even longer term.'

The tension between push and pull for systemic transition

The agricultural system is not geared towards the local scale. But who should make the first move, the farmers (providers) or the local food services (buyers)?

'If we got all canteens in Kolding to commit to ordering, for example, 1000kg of flour every year, then maybe that would be an incentive for farmers.'

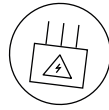


‘Maybe we should start to think of ourselves as not a small company anymore. We have grown a lot, we got to change our mindset.’

Gunhild, Mona & Søren

Health, Safety, Environment
and Quality at DELPRO





Seen from the train that takes us there, Vamdrup appears as a sudden industrial enclave in the middle of the agricultural landscape of Jutland. To confirm the impression of a bustling production, we reach DELPRO via a road with a very descriptive name; Industrivej.

Gunhild, Mona and Søren start by introducing us to the main fields where DELPRO operates. One can immediately conclude that they are essential to enabling a wide array of technologies, such as wind turbines, trains, or data centers, to realize their full potential.

'You can see that we are actually already working with the green transition! But inside the company, we would like to do some more'.

And this is where the challenge lies for them, being a service company 'stuck' in between big deciders - material suppliers on one hand, energy companies such as Energinet or Ewii on the other.

'The problem is that we're not manufacturing anything, therefore when we're looking into the Green Transition, it is very difficult for us to see where we can do something'.

This leaves DELPRO with little room to influence projects that are often started years before they get involved. Yet, their knowledge is key within those processes, as Gunhild reaffirms it: 'It is our know-how that we bring into projects'.

Throughout our discussion of DELPRO's work and ecosystem, we keep returning to this knowledge; because they have been working with high voltage for more than 20 years, and because they have had to train their own technicians due to the lack of a relevant education line and skilled manpower in Denmark. Søren, Mona, and Gunhild dream of using this knowledge better in projects and raising DELPRO's voice. «Perhaps we should stop thinking of ourselves as a small business. We have grown a lot, we need to change our mindset.»

'Our challenge is to keep continuous focus on circular initiatives. And to get the snowball running.'



'We could actually do something together with other companies, but it's a bit more difficult, it's the long term. So the initial hotspot would be ourselves.'

Facts

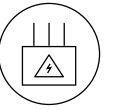
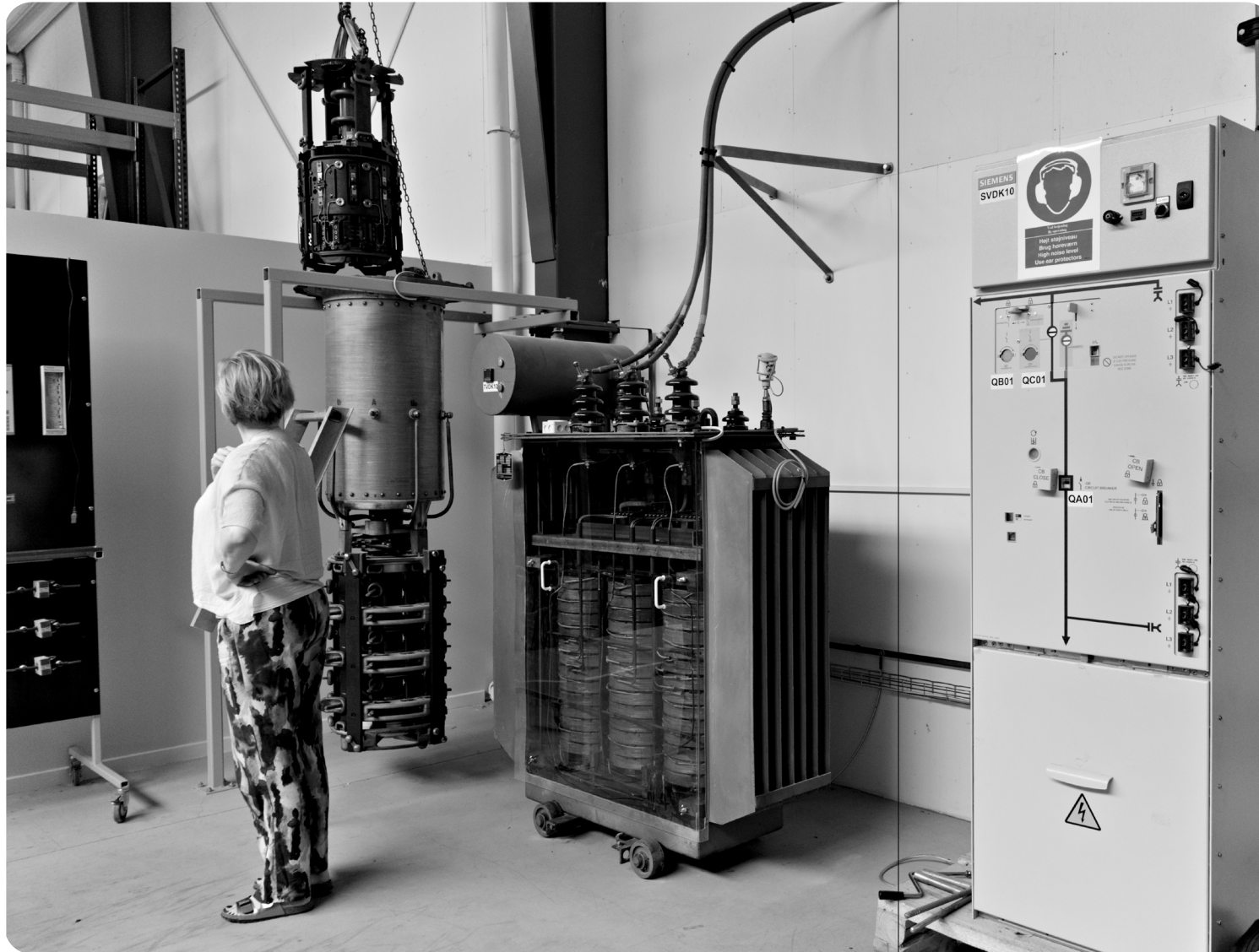
Name: DELPRO

Installation, operation and maintenance of high voltage lines

Since 2000 - Vamdrup

Ca. 175 employees

‘So that is the next problem with the green transition here in Denmark. That is, we don’t have the manpower for it.’



Regarding the subject of circular economy, all three concede that it will have to start internally with concrete changes and greater awareness before it can be discussed on a serious basis with customers.

At that point, Søren remembers that safety concerns followed a similar path, from being little discussed to becoming a key aspect of DELPRO’s work. ‘And I see that we are going to more or less do the same with the environment topic.’

Just as the topic of safety is of mutual interest to DELPRO and its customers, the circular economy could also be a topic for closer collaboration.

‘We were on a workshop with another company that has now taken the lead to explain environmental issues to their customers. Maybe it could become a new service for us as well.’

Doing so, it seems that new business models could open for the company, and new areas of knowledge as well. ‘Something I see that we could do in the future is to take over the management of the waste or the scrap from bigger projects’.

Looking at those new aspects of DELPRO’s action and responsibility, Mona completes the picture: ‘Now, we also started thinking about the biodiversity of the transformers sites. That came on as a new thing.’

As a service provider, we knew that it would be a challenge to explore the circular economy itself with DELPRO. But in a close collaboration with Mona, Gunhild and Søren, we have found exciting ways for the company to apply its knowledge in different areas. This is probably one of the most interesting insights we have gained. The challenge to move out of the role that has always been theirs as well, and to establish conversations with the actors of their ecosystem. Breaking silos and establishing new conversations and collaborative models represents such a great potential for circulating resources and knowledge!

External Drivers

Linearity

Circularity

PAST

HSE

FUTURE

Internal Drivers

Created back in 2000, only working with power plants

Now around 170-200 employees internationally

Expanded progressively to wind farms, data centers, train networks...

HSEQ department was formalized along the way

Safety debate started similarly to current sustainability debate

Customers asked more about it, triggering certifications and professionalisation

Similar pattern hoped for the sustainability transition

Now Delpro is confident questioning clients about the safety of certain material choices

Started looking into circularity after customers started asking about it

Data not really put to use

First calculation of CO2 footprint in 2014, although maybe unprecise

Motivation of the CEO - Jakob - to trigger change, both personal and from external drivers

Participation in GCO as a way to look beyond CO2 footprint

Hope that GCO is gonna unveil clear actions potential

Main customers are energy companies (Energinet, Ewil...)

Role of middle man in projects, in between energy companies and suppliers

Very little voice in projects, as most is decided by energy companies

Most projects begin years before Delpro is involved - little margin of action

Søren recently questioned a client about hazardous material choices

Their know-how could be used in the planning phase as well

Delpro brings in its knowledge and skills - service dimension

Delpro is in the front line of enabling the energy transition

Developped a parallel educational know-how as well, and learning supports

Politicians' promises have to meet the reality of the ground

Not enough high voltage electricians in Denmark

Delpro grew fast and could see itself as a big company, having a louder voice

Have been invited to a discussion regarding future Power Islands

Could help a mindset shift

Positive initial reactions to this move in the company

Made people realize that a few isolated initiatives were already going on

Giving visibility to those initiatives

First looking at concrete internal actions before starting ecosystem dialogue

Uncovering drivers and incentives for various employees to be motivated

Will require behavioral transition, and a dialogue with employees and technicians

New, younger employees are seen as a driving force, less resistant to change

Delpro has to train their own workers

Possibility to inculcate good behaviors

Raising awareness, developing knowledge and then the skills

Optimizing car fleet use, taking ownership of waste management in dismantling

Getting the snowball effect going

Looking at aspects they never really envisioned

No current knowledge on the end of life of fx cables

What issues might arise with the scaling up of el. infrastructures?

It doesn't really influence the way they work, just the number of workers

Biodiversity dimension on their power sites

Could enable storytelling

Mutual interest - fx Energy companies have to appear greener to their customers

Could engage with different actors but no perceived need to engage with the public sector

Ideal situation where their knowledge is better used

Developing a consultancy dimension ?

New complementary business models ?



4 key insights from Gunhild, Mona & Søren's experience

'That could be interesting to be enrolled at an earlier stage, even if we did not end up with the contract, but if we could be influencing way back...'

Service companies are all about the know how they provide. With their field experience, this know how could often be used by other actors and in other phases, getting closer to a consultancy model.

Seeing knowledge as a new business model

'I have not been thinking that way, but we have been invited to a workshop regarding these Power Islands. I was just thinking that it is way ahead but maybe we should say yes.'

The mindset shift needed a louder voice

It can be challenging to establish conversations with bigger actors or to develop one's influence. Among other challenges, it requires to acknowledge one's expertise and power to start speaking more loudly.

Exploring new business models and areas will require to develop the internal awareness, knowledge and skills that could lead to a new competitive advantage.

The need to develop internal capacity

Building on discrete motivation and initiatives

Individuals within the company may already have personal beliefs or be involved in initiatives that tend to be more circular. It is important to start with these individuals to build momentum and motivate others to join the effort.

'There's no point to go out to customers to say «we are taking care of your waste and keep it as clean as possible», and then having our employees just doing what they want.'

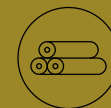
'What we need is to connect these actions into systems, to make it visible that we're doing this.'

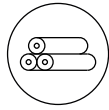


‘I don’t think that as Elektro Isola we can go to the suppliers and say you need to fix this and that, but if we together with three or four of the big competitors, then we would have another voice.’

Simon & Kasper

Marketing and Business
Development at Elektro Isola





We meet Simon and Kasper at the extreme southern limit of Vejle. From the beginning, the slightly austere buildings tell the visitor that the focus there is on skills, techniques and know how, from a company that just celebrated their 100th anniversary.

For some reason, the know-how and knowledge is also what was first brought up in our conversation, at least from a certain point of view. Because in the coming years, up to 20% of skilled technicians will retire and there is a real danger that their knowledge will disappear with them. Students do not learn about composites in school. So it could very well be that the entire industry will lack knowledge in the future.

The following tour on various workshops confirms the need for skilled labour, since the machines all require constant intervention by technicians. «Their knowledge is even a greater competitive advantage than the materials themselves.» The mix of machine generations is striking. Some laminators look like they have been around forever, standing alongside high-tech robotic arms. However, these distinctive processes also come at the price of producing a lot of waste at each stage of production.

Another noteworthy aspect that Simon and Kasper show us in the warehouse is the impressive amount of specific parts and materials. On this point, they are both on a process of optimization to rationalize a bit the material offer from Elektro Isola. 'We could reduce a lot of our scrap, if we could make fewer of those different materials'.

This is actually part of their overall mission of modernizing Elektro Isola's operations and business, which has been running without dedicated marketing team for most of its 100 years of existence. Their rich ecosystem of customers is yet to be fully explored and leveraged, and Kasper believes there is much to get from richer conversations

'We have been at this location since 67, and if the walls could tell stories... There is a huge amount of stories that we could tell, and that we want to tell.'



'We know that, probably in the future, our customers will require that we do something. But we don't have any knowledge about that today, about how it works.'

Facts

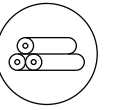
Name: Elektro Isola

Production and machining of composite materials

Since 1921 - Vejle

Ca. 150 employees

1 year in the company for Kasper, 6 months for Simon



‘Historically, customers came to us and said, I need this material in that dimension. We are trying to get a different approach, where we talk to the customer about what the product needs to fulfill.’



with these clients. ‘We want to explore that potential in existing customers. The company has never done that’.

Getting to know better what their materials are used for could also pave the way to diversifying their business model: increasing the consultancy dimension to ensure the right material choice, developing tailor-made materials to increase their efficiency and lifespan, acquiring the necessary skills and capabilities to take back decommissioned parts... ‘It could be that in future we’re not selling the material according to some mechanical or electrical properties, but that we’re selling it according to how long they can last, and then taking it back’.

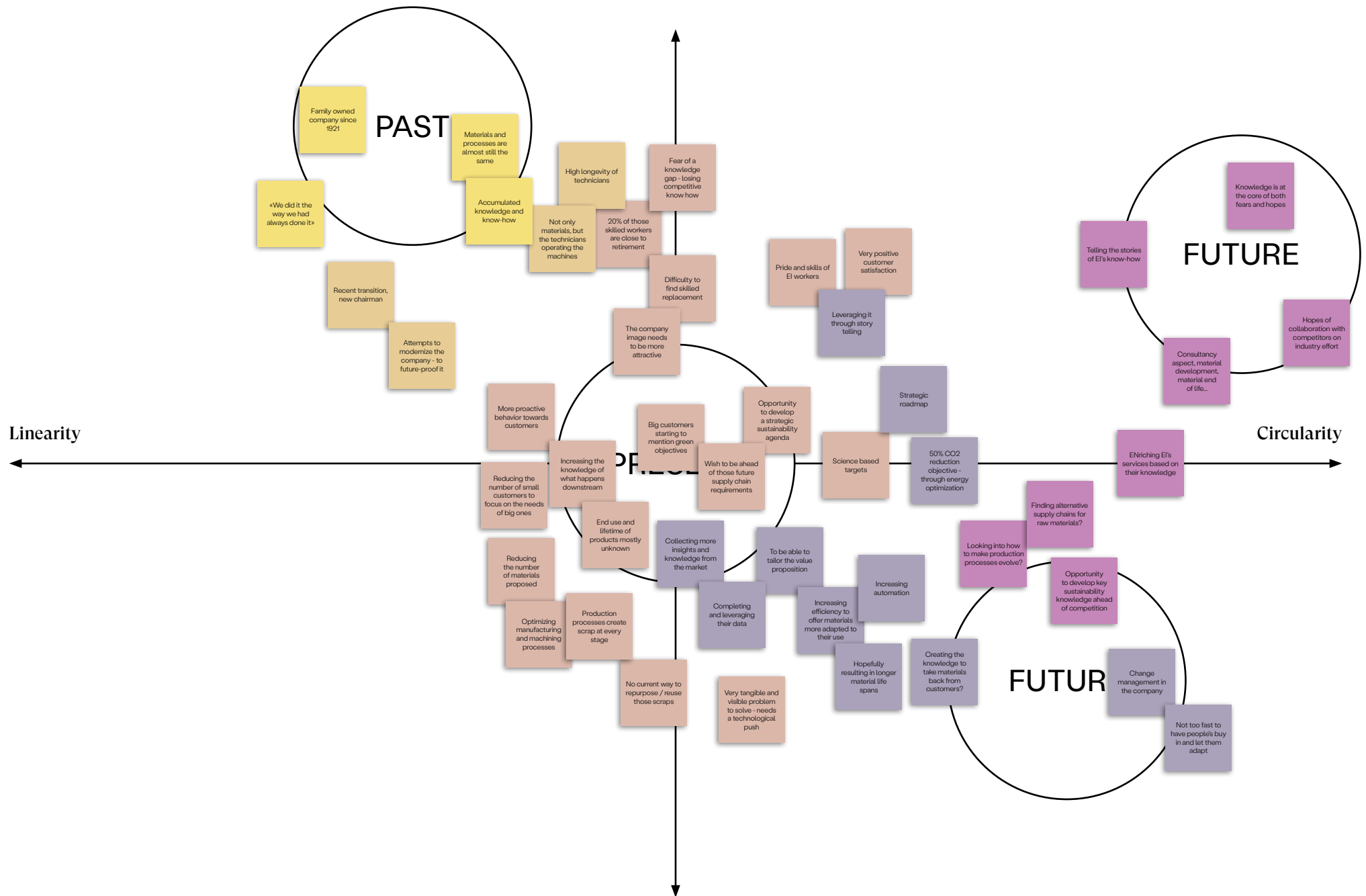
Bringing visibility to those future dynamics - and to the current skills and know how - is also part of Kasper and Simon’s objectives. They see some of their big customers starting to shape their policies in terms of supply chain responsibility, and they want to be ahead of those requirements.

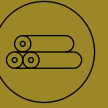
To make sure that Elektro Isola gets known the right way.

‘We could tell those stories about the fact that we are committed to this and that... And then just stand alongside ABB, Siemens, Vestas, and then Elektro Isola. That could be great’.

During our conversation with Simon and Kasper, we got the impression that circularity was not among their top priorities, but it still played a role in rationalizing and diversifying strategies. Less materials means better control of the production and stocks; more conversations with customers means a better understanding of the final uses... Circularity itself does not always have to be the main driver, but it is definitely a good way to ‘future proof’ companies, through better use of resources and knowledge.

External Drivers





4 key insights from Simon & Kasper's experience

'We want to be able to go to ABB, to Vestas or to Siemens and say "You don't need to ask us about this because we already doing it, we are there already".'

As big customers implement supply chain responsibility policies, there is an opportunity for suppliers to gain competitive advantages by moving fast towards lighter environmental footprints.

Anticipating future supply chain requirements

'I think we are somehow limited in terms of scrap by our production method. But that can never be an excuse, we just have to find a way to reduce, reuse, recycle....'

Dealing with the constraints of the production process

Elektro Isola's signature materials and processes are also ones that generate a lot of scraps that are for now unused. This creates a tension between the historical know how and the need to limit the resources loss.

The need to revolution the way historical companies have been dealing with their ecosystem, through much more interactions and communication.

Becoming proactive within the ecosystem

Dealing with a potential knowledge gap

Skilled machinists are difficult to find, which could ultimately lead to key knowledge not being passed properly to future workers.

'We actually look into ourselves and say «okay, if we want this company to be 200 years, then we need to change, we need to do it in another way».'

'We have a lot of people who have been here for a lot of years, who have a lot of knowledge, but we don't have that much new inspiration, new knowledge from outside.'

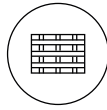


‘If we can show that it’s working, how we went from a small company to a company at double size, how we have cut down our waste, that we’re still making money, that we have happy employees... with all of that I think it sells itself.’

Rebecca

Economy & Customer service
at Partner Pack





The way to Horne, where Rebecca is waiting for us, feels like a bucolic dive in the green heart of Jylland. Partner Pack blends into this small town, which has grown around the warehouses that the company uses. 'We have a lot of room for a relatively low price here, and we definitely need room for what we do!'

But Horne is also just a stone's throw from Esbjerg, where many customers use Partner Pack's pallets and crates. Overall, most of the company's business is done within a 50 km radius. This is due to the cost of transport, we do not want to travel further away». This also ensures a really close connection to customers, with whom Rebecca and her colleague Steen have built trust relationships; which is key as most of their products are custom made, following each order's specificities and requiring high flexibility.

This flexibility is required as well at another end of Partner Pack's activity: when sourcing the raw material, as the company has a big vision of working with reclaimed wood, from old pallets and crates. This core circular dream, however, does not come without challenges, the main of which is not where we would think at first. 'We have a law in Denmark, that you can not reuse used wood. You have to heat treat it again, even though it is heat treated already'

This regulatory barrier is pushing Rebecca and her colleagues to adapt: On the one hand, they are approaching the political sphere of Varde and Esbjerg, urging a change in regulation. On the other, they are looking for a way to diversify their operations by including the heat treatment required for their wood. 'Then we could also buy wood that is not heat-treated, because we would be certified to do so ourselves.'

Another barrier Rebecca foresees will need to be tackled is the perception of reclaimed wood by their clients. 'I guess people see a wooden pallet and say "okay it's dark, it is not good anymore", but that's not a reason, there are many factors.'

To that extent, Partner Pack aims at communicating more and leveraging the close connection they have with their customers.

'We have some of the big companies willing to help us, just because we want to be heard.'



'I think it is the basic of our company now, that it is the way we want to go, and we want to be the first to do it.'

Facts

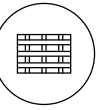
Name: Partner Pack Træemballage

Production and repair of wooden pallets and crates

Since 2018 - Horne

Ca. 10 employees

‘All the investors we have now, they are fully into this. Our new investor came here in March, [...] and I think he fell for the company.’



The path ahead of them is quite clear. Their participation in the project 'Grøn Cirkulær Omstilling' gave them the confidence to work in that direction. Time, money, and manpower are now the determining factors for realizing the vision.

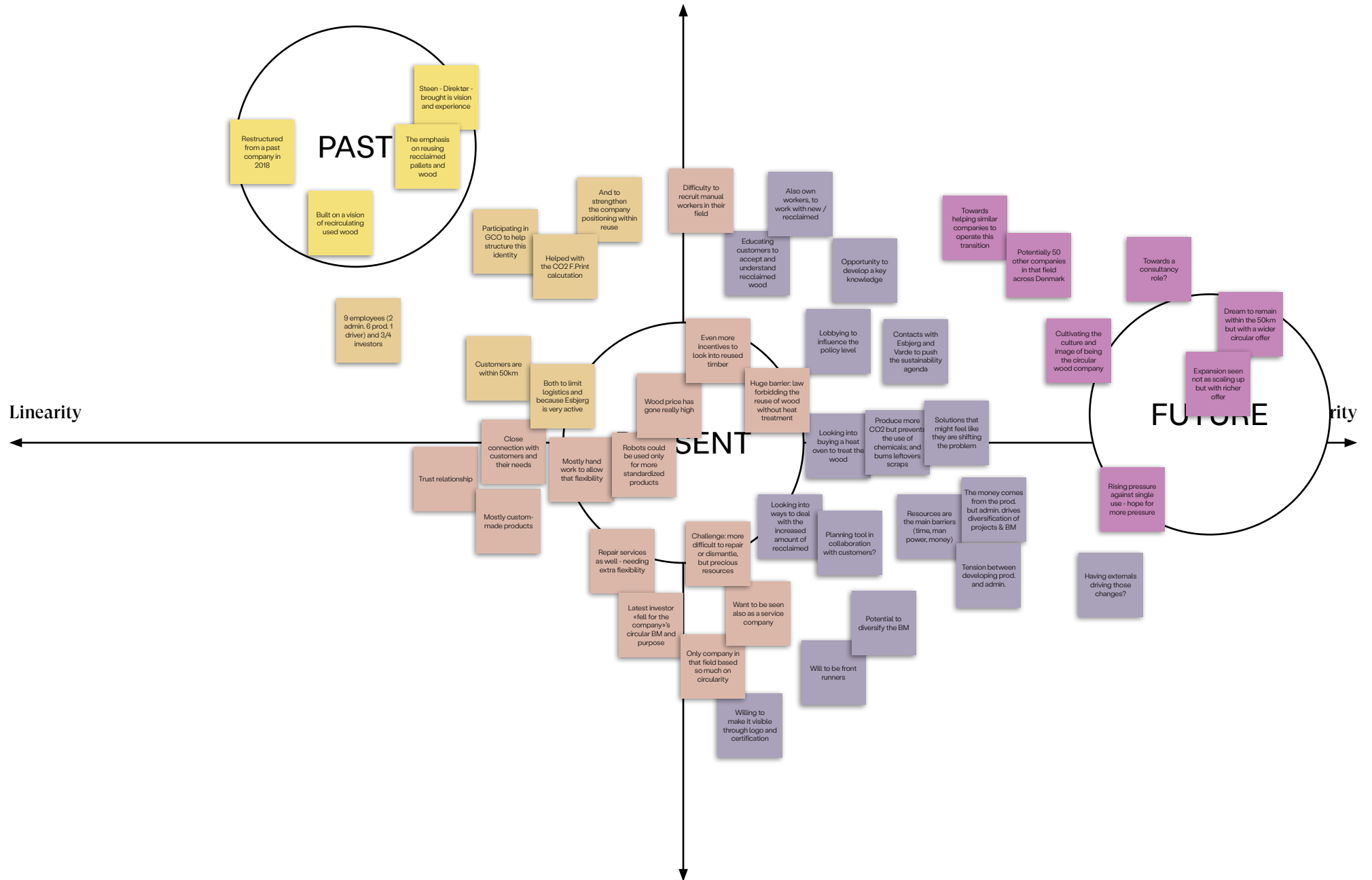
'Administration is the most expensive thing we have because I can not earn my own salary. Therefore we need a lot more people out there if we are going to have one more in the office.' There is a tension between hiring more people in production or administration, and buying more machines and tools, since any change would affect the other areas as well.

All those questionings are part of Partner Packs growth, which Rebecca insists is a matter of service enrichment and diversification, not of scaling up. 'We want to still provide for our 50 kilometers area, and then we want to go work with others: there are many small companies like us in Denmark that we could collaborate with'.

Helping others to replicate their transition is a strong part of this future vision, based on sharing the knowledge Rebecca and Steen are accumulating along the transition process. 'I am pretty sure we could definitely be helpful to others!'

We were delighted to hear about such a vision, anchored locally and built on close collaboration with collaborators. It is an ideal model for circularity from a designers point of view. Certainly, it is challenged by a variety of practical constraints, and it will be interesting to see if Partner Pack can achieve its circularity goals. But then it would prove that it is possible to work locally and circularly, as well as sharing your knowledge so others can do the same.

External Drivers



Internal Drivers



4 key insights from Rebecca's experience

'We have a competitor that provides for all of Denmark, and I think Sweden and Norway, but that's not our dream. Our dream is still to be here, yet make something that can be used in other context or sizes.'

Success criteria often involve scaling up the business as much as possible, while it makes complete sense for SMEs to 'grow locally' by enriching and sustaining their services.

Seeing growth locally

'During GCO we talked about making an app for our customers, to put the amount of material they have and how many boxes they want to buy, so they can see what it would cost and how much co2 it would save.'

Exploring new ways to be a part of one's ecosystem

Suppliers, customers and other actors form a business' ecosystem, usually through normalized relationships. Daring to explore new forms of relationships or new roles in that ecosystem can lead to more circular and resilient businesses.

The technicians on the production side are the ones generating value through their work, while the administrative staff drive ongoing and new projects, leading to tensions over which node should be strengthened first through new hires.

Having to develop production and administration

'Administration, that's the most expensive to have because I cannot earn my own salary. So we have to have a lot more people out there, if we're going to have one more at the office.'

The challenge of reclaimed material as an opportunity

Reusing reclaimed material, unlike new resources, presents a number of challenges in terms of facilities, skills or regulations. But if approached wisely, it can become a competitive advantage and an integral part of the business model.

'It's because of the CO2. Because we need to make a calculation every year of how much we're using, and half of that can be just out the window if we work with used wood.'

Thank you:

Louis Rose
Social and Environmental Impact Lead