



Business Sustainability Case Study: Dealer.com - Burlington, VT

Date: December 2020 Outreach Coordinator Name: Ethan Hausman Organization/Business Name: Dealer.com – Cox Automotive Contact Name/Info:

Rob Meader – Implementation Project Manager & *Go Green Council* member email: <u>robert.meader@coxautoinc.com</u> phone: 802.540.1373

Allison Lazarz – Software Test Engineer & *Go Green Council* member email: <u>allison.lazarz@coxautoinc.com</u>

Town: Burlington, Vermont

Business Overview

Founded in Burlington, VT, in 1998 and acquired twice since by larger corporations, <u>Dealer.com</u> is now a multi-billion-dollar brand of <u>Cox Automotive</u>, a subsidiary of Atlanta-based Cox Enterprises that has over 60,000 employees nationwide. Having outgrown their flagship facility at 1 Howard Street, the company's Burlington-based employees are now distributed in two additional buildings along the Pine Street corridor. Cox employs over 1100 people in Burlington, with nearly 500 remote Dealer.com employees based in other parts of the country. Dealer.com's product—a software platform for marketing, managing, and displaying auto dealers' inventory-- has evolved to meet the needs of car brands and national players in the automotive industry as the company has grown.

The Story

Sustainability was important to Dealer.com's founders. The company has promoted their core values of community health, wellness, and sustainability with various voluntary initiatives since the Company's inception. That commitment is demonstrated in the offerings available to their staff-- ranging from bus pass and solar incentive programs for employees to a community volunteer initiative— but also in the infrastructure embedded in the Company's facilities and physical spaces.

The Company's main headquarters, occupied by Dealer since 2008 at the corner of Howard and Pine Streets in Burlington, is LEED certified, having met internationally recognized standards for green building practices. The facility includes an organic café that is fueled by more than 30 local farm partnerships and by crops from a rooftop gardening space. Any unused vegetables are donated to local charities. Solar photo-voltaic arrays and hot water panels also occupy territory on the building's roof.

A Commitment to Composting

Dealer.com's composting program serves as an example of forward-thinking design. Their infrastructure for compost collection was part of the company's original plans for their internal food service space. The various iterations of cafés at both their main facility and other office spaces in Burlington are equipped for compost collection and divert food waste through donation and compost pickup with a local hauling company.

Unlike most Burlington-area companies with composting programs, Dealer.com's efforts were prompted neither by the passage of Act 148— "Vermont's Universal Recycling & Composting Law" — in 2012 nor by encouragement from the Chittenden Solid Waste District (CSWD). Dealer.com had already been composting scraps from their internal food service for years before Act 148's phased-in food waste requirement applied or CSWD learned of their program.

Partnering with CSWD

Dealer.com has been working with CSWD for several years in many ways, but the partnership began at a small scale. Dealer invited CSWD staff to help educate their employees about responsible waste management in 2016 and then partnered with CSWD's Waste Warrior program for on-the-ground assistance helping attendees navigate the waste streams at *Dealerpalooza*, a private staff party sponsored by the Company, in 2017.

CSWD has been working more closely with Dealer.com since Cox revitalized its *Go Green Council* (GGC) in 2018. Through the expanded collaboration, CSWD has provided staff training, grant funding for multi-stream waste stations, and technical assistance with waste audits, among other forms of support.

The partnership is ongoing, but data compiled from CSWD-assisted waste audits conducted by the *GGC* in 2018 and 2019 serve as the primary basis for understanding the impacts of Dealer.com's recent sustainability initiatives.

Challenges

- Communication challenges inherent in having several layers of materials management administration, including a third-party responsibility for hauling contracts.
- Inconsistent waste management and collection procedures due to limited communication with (external) custodial vendor.
- Feedback deficiencies with contracted hauler about contaminated loads and problematic bagged material in recycling and compost streams.
- Employee confusion about compostability of serving ware— used by internal food service and for employee takeout meals from local businesses.
- Staff turnover staffing transitions and evolving *Go Green Council* membership.
- Organizational structures and silos naturally limit opportunities for effective coordination among GGC, Human Resources, Facilities, and Corporate sustainability stakeholders.
- Limited integration of waste-management training into new employee orientation process and few formal opportunities to educate staff about progress toward Cox's long-term goals and what employees can do to advance them.
- Need to interpret and reconcile waste-management data from multiple sources that use measures with varying degrees of granularity.

- Original method of evaluating progress toward zero-waste goal did not assess how much material in "diverted" streams was likely to be ultimately landfilled as contamination.
- Considerations and staff training specific to Vermont's solid waste requirements, which include a phased—in prohibition on throwing food waste in the trash, must be factored into Corporate resources and efforts.
- Physical space challenges:
 - Insufficient floor space to accommodate containers for 3 waste streams
 - Open and widely spread-out office environment (pod layout)
 - Multiple buildings having multiple eateries and breakrooms
 - Sound impacts and electrical limitations preventing installation of air hand-dryers (resulting in hand-drying paper towels constituting an estimated 10-20% of all material collected as trash in 2018)

Initiatives & Solutions

Goal setting:

- Dealer.com adopts <u>Cox Conserves'</u> three major, national sustainability goals:
 - "Zero Waste to Landfill" by 2024
 - "Carbon Neutral" by 2044
 - "Water Neutral" by 2044
- GGC sets shorter-term goals specific to Dealer.com employees and facilities:
 - Removal of desk-side trash & recycling bins from most individual workstations, first at 1 Howard and then at Lakeside workspaces, in favor of using more centralized, communal waste stations.
 - Reuse of all retired desk-side bins through community outreach and donation.
 - Increased employee awareness of Dealer's sustainability goals, opportunities for improvement, and responsible waste management practices.

Personnel & Communication:

- Appointment of a Dealer.com employee volunteer, Robert Meader, to represent Cox Conserves in late 2016 becomes an important first step in pursuit of Cox Conserves' sustainability targets.
- Sustainability efforts at Dealer.com get considerably more traction in 2018 with Meader 's
 return to his role enhanced by the appointment of three additional Cox Conserves
 representatives to form a four-member sustainability team.
- Despite some annual turnover, this team, termed the *Go Green Council* (GGC), grows to include six appointees in 2019. Importantly, one of the new members is a Maintenance Technician equipped to address logistical and operational challenges as a member of the Facilities Team. In addition to serving as a natural liaison with operations staff, significantly improving internal communication and coordination, he also brings a boots-on-the-ground perspective to the conversations about improving waste management and reducing compost/recycling stream contamination at Dealer.com facilities.
- A new janitorial contract through a different vendor and a new Director of Facilities provides an opportunity for the GGC to tighten internal coordination, revisit collection procedures, and renew focus on reducing contamination and improving material capture on the operations side.

Collection infrastructure:

- Compost collection containers built into plans and infrastructure in internal eateries since those spaces were originally designed for food service.
- Facility walk-through, container audit, and discussion of best management practices with CSWD
- Improved labelling and signage using CSWD's standard decals and printed materials.
- <u>Container Grant</u> from CSWD for multi-stream waste stations to consolidate collection at their main building. Another container grant application approved by CSWD the following year for outfitting the Lakeside office location with consolidated waste stations, with Cox Conserves further subsidizing the purchase of multi-stream waste stations in 2019.
- Containers are deployed specifically to collect hand-drying paper towels in restrooms (<u>pictured</u>) for composting along with custom signage (<u>example #1</u>; <u>example #2</u>), developed by a GGC member, that direct them to that stream.
- The *Kick the Can Initiative* encourages employees to voluntarily give up their deskside waste containers in favor of utilizing new, consolidated waste stations (to encourage diversion through use of all three streams). Ultimately, individual bins are pulled from all shared pods, and Dealer's full inventory of collected deskside containers is donated to nearby non-profits for reuse.

Employee Education & Training:

- A member of the GGC participates in a CSWD Materials Recovery Facility (MRF) tour to better understand what's recyclable locally and why.
- After touring, the staff member develops a blog post <u>"What the MRF Is a MRF?</u>" to share the information gleaned on the tour among Dealer staff and highlight the need for recyclable items to be clean. She ensures accuracy by having it reviewed by CSWD staff before posting it internally for employees.
- A group of Dealer.com staff and Cox Conserves employees visiting from Atlanta tour the MRF again six months later. Reflections from those attending are used as the content/basis for another blog reinforcing the importance of waste *reduction* via more conscientious consumption and purchasing decisions.
- A member of the GGC and a CSWD representative co-lead internal presentations about the importance of food waste diversion and what's accepted in compost and mixed recycling streams in Chittenden County. Presentations are held at both 1 Howard and Lakeside locations, with at least one of the presentations recorded for later sharing/viewing, to reach as many employees as possible. These sessions also serve to raise employee awareness about Cox Conserves' goals, highlight progress made toward them, and explain some of the assessment metrics and what they mean.
- Waste sorts conducted in two consecutive years offer additional opportunities for the staff to learn local specifications/requirements, understand compost/recycling constraints, note problematic items that are often discarded by employees, and explore opportunities for increasing diversion.
- GGC member serves as a liaison to CSWD by compiling employees' questions about recycling and composting to obtain accurate information that is then directed back to Dealer staff.

- Prompted by GGC members noting confusion about proper disposal of certain food ware items (e.g., inconsistent labeling about compost-ability of paper cups provided by a nearby coffee shop), GGC develops <u>custom signage</u> to clear up the confusion about serving ware items that are commonly brought into the workplace and then discarded by Dealer.com employees. The signs are displayed in various high-profile locations, including near entrances and break rooms, to raise awareness among staff.
- *Trash Trolley Initiative:* Since not all employees attended the presentations or events sponsored by the group, members of the GGC go desk-to-desk throughout their offices for face-to-face employee education. Their goal being to spread "knowledge and best practices with a 3-stream in tow."
- Low-Waste Team Lunches resource: A GGC members compile a list of nearby eateries that use compostable or recyclable packaging for takeout/to-go meals. The list is distributed among Dealer.com staff on <u>a one-page document</u> that also reminds employees to refuse non-divertible, single-use cutlery, plates, and other serving ware in favor of using durable (reusable) or compostable serving ware items available from Dealer.com's internal café.

Introspective Evaluation:

- GGC identifies possible ongoing compost-contamination issue (food waste bagged in plastic) during facility walk-through with CSWD. After confirming the issue by communicating with internal departments, janitorial service, and the vendor providing organics service, GGC ultimately works with Facilities to revise custodial procedures and resolve the concern.
- Waste Audits—involving sorting through a multi-day sample of accumulated material in trash, recycling, and compost streams-- are conducted on an annual basis starting in 2018.
- The 2018 waste sort uncovers compost-ability questions about a paper product used by the internal café. Ultimately, CSWD helps the GGC and Café staff in concluding the product in question is not certified compostable and finds a compostable alternative for the café.
- The 2018 audit draws attention to paper towels as a significant proportion of the trash stream presenting a potential diversion opportunity. In response, GGC prioritizes composting of hand-drying paper towels and implements collection systems for them in restrooms.
- GGC member seeks out organizations accepting food donations after noting large quantities of food waste from special events.
- Waste audits using actual samples often reveal less-favorable diversion rates (and other metrics) than what have previously been derived from raw data and extrapolation.

Employee Quotes

"From now on, I'm going to do my research about what goes into my blue bin and what condition it needs to be in to complete the journey to its second life. It feels good to have this awareness and confidently do my part for the health and longevity of our community. (We'll never know whose straw was up the turtle's nose, but the takeaway is that it could've belonged to any of us, so the responsibility is on all of us.) *Reduce - Reuse - Recycle - Yehaw.*"

-Samantha Rock, Dealer.com Performance Manager

"After visiting the MRF, I am making a conscious effort to avoid having to buy disposable anything anymore, because it just doesn't make sense... Really it starts with the consumer! ... We need to slow down and think about the things we buy and make a choice then and there. In reality, the best thing we can all do is work together to educate one another on the proper way to handle our waste to make the MRF we currently have most efficient."

-Shane Burgoon, Software Test Engineer

Perspective from participation in Dealer.com's 2019 Waste Audit:

"At home we're pretty good about waste, but there are times when we get lazy and definitely make mistakes. If I just think of myself it doesn't seem so bad, but when you see the collective errors it all gets quite humbling. Another thing that hit me was the human reason to why we clean containers. It's not just machines doing this work, and the spoiled food can attract bugs, maggots, and mice to the facilities. Now when I feel lazy about cleaning my yogurt container, I'll remember that it's making the job on the other end easier, healthier, and cleaner."

-Jocellyn Harvey, Dealer.com Managed Services – Compliance Coordinator

Results

Favorable change indicating progress toward sustainability ideals

Unfavorable trend indicating sustainability regression

Annual estimates & rates are extrapolated from data collected during waste audits conducted at 1 Howard Street facility on 6/7/18 & 10/10/19	<u>2018</u>	<u>2019</u>	Progress
REDUCTION			
Est. Tons of True Trash Generated Annually	8.8	6.4	- 27%
Est. Tons of Material Landfilled Annually	27.2	10.9	- 60%
Avg total waste generation - per employee, per day (lbs.)	.57	.47	- 18%
REUSE			
Durable plates & serving ware in use at café	-	-	-
Donations of deskside recycling bins to other local orgs	~250 units	~400 units	
Donations of office furniture to local non-profit			
RECYCLING			
Diversion Rate	53%	77%	+ 24%
Capture/Recovery Rate for divertible materials	62%	89%	+ 27%
STREAM QUALITY/PURITY			

Recycling Contamination	21%	17%	- 4%
Compost Contamination	99.3%	99.7%	-
Divertible proportion of trash stream (missed opportunities)	65%	38%	- 27%

Takeaways & Suggested Strategies

Dealer.com's *Go Green Council* credits their success to a number of approaches that are easily adapted by almost any business, regardless of size or sector:

- Have objectives that your employees can buy into— large goals, broken down into calendar year smaller steps
- Provide the "why" this is important (e.g., it's the law, doom and gloom statistics, expected benefits, etc.)
- Educate for the desired behavior changes— using messaging channels, events, guest speakers, etc.
- Add some fun (carrots)
- Add some deadlines (sticks)
- Celebrate the milestones as each step toward end goal is attained
- Shout it from the rooftops and tell your neighbors (i.e., other businesses)