## Packing a punch

A desire to constantly innovate has helped two friends take their compostable-food-packaging company to great heights – and the ideas keep coming.

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ALEX MAGARAGGIA AND James Calver weren't entirely shooting in the dark when they launched their compostable-food-packaging company Ecoware nearly a decade ago. The Auckland entrepreneurs and childhood best mates sank \$10,000 each into an initial consignment of compostable, plant-based packaging from Taiwan at a time when anti-plastic sentiment was only Just beginning to infiltrate the mainstream. They had no solid customers, but they'd done market research and had a hunch they could sell it.

"We backed ourselves, and it didn't take long," says Calver. "Before we knew it, there were a couple more containers on the way."

There have been a fair few since. In the past five years, Ecoware has racked up 1500 percent top-line (revenue) growth. While it outsources manufacturing, warehousing, distribution and many other aspects, it has expanded the number of staff responsible for coordinating the moving parts to 14, including two overseas. That's a speed of growth akin to bamboo.

Just don't call them merely a packaging company. "A packaging company focuses on selling you packaging: we focus on keeping our packaging out of landfill, by enabling and encouraging wherever possible the circular economy and the diversion of waste – to fully close the loop," Calver says.

When Ecoware appeared in *Kia Ora* in 2016, the company had recently supplied a vineyard concert on Waiheke Island. The scenario that the pair described at the time was light years from the typical aftermath of a big event, where truckloads of oil-based food and beverage packaging were dumped at the nearest landfill.

When the Waiheke gig ended, Ecoware delivered all the used cups to a local waste facility, where they were composted and the organic matter used for a community vege-growing project.

Three years on, everything at Ecoware is on a more ambitious scale. Raw materials now include a sugar-cane byproduct suitable for home composting, bioplastic made from low-emission plant-based materials, some Forest Stewardship Council (FSC)-certified paper and other rapidly renewable resources (birch wood, bamboo fibre).

At the same time, the product line has proliferated. Not counting the one-off, customised food-packaging for individual

businesses, the range runs the gamut from stemless wine cups to sandwich wedges, noodle boxes to sauce containers and cutlery. All are compostable, free of toxic inks and made from renewables.

As of last year, there's also a premium 'tree-free' toilet paper made from FSCcertified bamboo fibre. Called Ecoroll, it's sold on subscription and delivered to the customer. Along with home-compostable bin liners, it's Ecoware's first significant foray into selling directly to consumers and has the potential to be a category changer.

According to some estimates, 27,000 trees are used every day to make toilet paper. "They're growing for 20-30 years, and to use that for 10 seconds doesn't make sense. Not when we have a product that's rapidly renewable and annually regenerative," says Calver, who adds that they see a big opportunity for Ecoroll overseas.

"Over the next six to 18 months, we've got a pretty aggressive plan to scale it globally as quickly as we can. We've got a good chance to get into major markets and set ourselves up as the number-one supplier."

Clearly, exporting is the next frontier. At the moment, Ecoware food packaging sells in 10 countries, and exports account for 15 percent of revenue, but the door is swinging open.

"Europe is waking up quickly because of legislative change. They have more aggressive goals there, with France leading the charge," says Magaraggia, referencing that country's decision to ban a vast array of single-use plastic food-packaging and other items. Meanwhile, increasing numbers of businesses here and across the ditch are committing to using 100 percent recyclable, reusable or compostable packaging by 2025.

It's a very different landscape than it was during the first few years of Ecoware, when Calver and Magaraggia had to educate the market. "Consumers now are a lot more informed about our products, and they're holding businesses more accountable," Magaraggia says.

"In the past, a corporate sustainability policy was something nice on the website. These days we're dealing with businesses









that have a sustainability team, and they're starting to have much more influence."

Another factor in their favour is that the price gap between traditional oil-based packaging and compostable alternatives has closed, thanks to developing economies of scale. From the beginning, Ecoware has sourced its plant-based resins from a US supplier, and used ISO-certified Asian specialist factories for manufacturing.

"We're definitely aiming to achieve the same price or better than the oil-based product we're looking to replace," says Magaraggia. "You'd only get so far if you were telling consumers they were going to be paying twice the price."

In cases where the environmentally friendly option still involves paying more – the Ecoroll innovation, for example, is priced at a premium – sustainability-minded businesses are increasingly prepared to pay.

On the flipside, New Zealand's commercial composting capacity is still patchy – although the fact that a dozen composting facilities now process Ecoware's food packaging represents some progress – when they started, none of the 98 facilities was

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processing compostable packaging.

Calver suggests a landfill levy may be needed to break the log jam. But in the meantime they're focused on developing alternative end-of-life solutions. The company, with partners, offers an organic collection service for some clients, providing plastic-free bins for front-of-house and collection for composting, as well as auditing the customers' diversion of waste.

"It gives them tangible evidence that their commitment has made a positive environmental impact," says Calver, citing the example of Auckland-based specialty coffee brand Altezano Brothers, which diverted eight tonnes of organic waste at its Newmarket store in 10 months.

Other solutions are popping up around the country. On-site processing units such as Hungry Bin can process Ecoware products, for example. In Christchurch, one coffee cart operator has even taken to using a lawn mower to shred his Ecoware cups into a mulch. "There are plenty of wins happening outside of those 12 or 13 official compost facilities," says Magaraggia.

Meanwhile, the company is focused on increasing the proportion of its products that can be home-composted; currently, it's around a third of the range.

"What blows me away is the number of Kiwis who are composting at home – I think it's driven by the reality that approximately 50 percent of New Zealand's curbside waste is made up of food scraps," says Calver.

The world is waking up. "We're in the most exciting time. When we started out, we had to convince people. Now, everyone can see it," Calver adds. "It's exciting to be able to deliver products that have a strong environmental impact and change the way Kiwis and the world look at waste." ecoware.co.nz