What is a social enterprise?

A social enterprise uses business strategies and principles to meet a social or environmental mission. Eco-Cycle fills a community need for Zero Waste services and programs using mission-based business activities, including hauling recyclable and compostable materials from businesses and innovating and operating Zero Waste facilities such as the Boulder County Recycling Center (BCRC) and the Center for Hard-to-Recycle Materials (CHaRM). We then use revenues from these activities to fund our Zero Waste operations, education, outreach, and advocacy work in the community.
How does the non-profit “social enterprise” approach differ from a for-profit?

The difference lies in two areas: 1) the reason the company exists, and 2) where the revenues and profits go.

A for-profit business may be philanthropic with some of its revenues and will be rewarded with a tax deduction. But ultimately, all profits must go to their owners and financial shareholders because that is the reason the company exists—to make profits.

A non-profit social enterprise exists to fulfill a social and/or environmental mission, and 100 percent of any profits made are spent to further the mission.

Currently, Eco-Cycle makes a small profit from three revenue-generating activities—operating the BCRC and the CHaRM, and hauling from businesses. Revenues from these activities go back into our mission of building Zero Waste communities. Specifically, they support innovative programs in schools, businesses, residential neighborhoods, and they help to build additional infrastructure that creates more Zero Waste opportunities, such as the Center for Hard-to-Recycle Materials (CHaRM).

While we also fundraise and get support from local communities for these programs and services, they would not exist or be financially viable without funding from our social enterprise work.
ECO-CYCLE’S SOCIAL ENTERPRISE MODEL GIVES BACK TO THE BOULDER COUNTY RECYCLING CENTER AND SUPPORTS BOULDER COUNTY’S ZERO WASTE GOALS.
Our Zero Waste programs and services support the Boulder County Recycling Center.

Eco-Cycle cyclically reinvests revenues from our social enterprise activities—including our BCRC operator’s contract—into Zero Waste outreach and programs, creating a return value to the recycling facility and significant social value to the Boulder County community. Here are a few examples of our mission-minded programs and the positive impacts they create:

**EDUCATION & OUTREACH**

By providing extensive educational resources and programs, we:

- generate cleaner materials from the community, which equates to more valuable materials for market and less labor required to remove contaminants.
- increase participation in recycling programs, so more recyclables come to the facility and more materials are diverted from the landfill.

**GRASSROOTS ADVOCACY**

Using grassroots organizing with hundreds of Eco-Cycle volunteers and advocates in Boulder County, we are able to increase the amount of recyclables that are sent to the BCRC. This improves the economics of the facility and supports the county’s Zero Waste goal. Examples of such campaigns include getting universal curbside recycling approved in Lafayette and Louisville, and the Universal Zero Waste Ordinance in Boulder. We also advocated for compost collections in Longmont on our dollar and with no reward to Eco-Cycle other than furthering our mission.

**ZERO WASTE SCHOOLS**

By running a Zero Waste schools program, the most comprehensive in the nation, we:

- raise a generation for whom recycling, composting, and sorting materials correctly is the norm.
- empower students to take this behavior change home with them and spark their families to participate.
- generate more and cleaner materials.
By providing waste audits and trainings for businesses, we:
- engage a sector of the community that generates the most waste, but has the lowest recycling and composting participation.
- increase waste diversion and generate cleaner materials.

By investing revenues in creative new ways to recycle and new Zero Waste infrastructure such as the CHaRM, we:
- create opportunities to divert more materials from the landfill.
- create opportunities to engage other entities, such as our fellow social enterprise Blue Star Recyclers, which employs adults with autism and disAbilities to disassemble Boulder County electronics.

By advising other Zero Waste businesses, we create opportunities for companies such as Momentum Recycling to expand their business in the area. Our support helped Momentum first get off the ground in Utah and eventually led the company to open a facility in Colorado, creating local opportunities to recycle more glass, which significantly benefits the BCRC.
By basing our economic model on our mission first and on financials second, we:

**Prioritize waste reduction and resource diversion.** While traditional waste companies actually make the majority of their profits by using the landfill, our mission (and economic model) is to avoid the landfill. As a result, we continually expand and innovate Zero Waste services where traditional companies may not because it actually hurts their profits.

**Develop more services, create new models, and take more risks than the private sector.** For example, as the original materials processor and marketer in Boulder County, we subsidized the recycling of paperboard to increase our diversion and meet the community’s demands for more recycling, even though other facilities didn’t want to take the risk on a low-value material. This approach has been repeated many times for many materials, such as magazines, milk and juice containers, and many types of plastics.

Similarly, many of the materials recycled at the CHaRM are not financially viable on their own, but we find ways to create new markets so that residents can recycle more of their discards, helping Boulder County meet its Zero Waste goals. One recent example: our block foam packaging recycling program was strongly demanded by the community and now serves as a national model for how to collect the material.

Our non-profit social enterprise status leverages additional funds beyond tax dollars to build Zero Waste communities.

Many Zero Waste programs in the nation are paid for with tax dollars. In Boulder County, communities benefit from more Zero Waste services because Eco-Cycle fundraises and creates partnerships to support programs that would otherwise have been paid for with public funding. And because we choose to invest revenues from our social enterprise activities (specifically the operation of the BCRC) in our programs, we are able to provide services to local communities for significantly less than they would normally pay when contracting with another entity, enabling communities to stretch their public dollars further.

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**GOOD FOR PEOPLE, GOOD FOR THE PLANET**

Eco-Cycle’s partnerships with other local nonprofits and social enterprises conserve natural resources and create jobs and opportunities.

- **BlueStar Recyclers**: Creating recycling jobs for people with autism and disAbilities.
- **Spring Back Recycling**: Mattress recycling jobs for the disenfranchised, to strengthen their path to recovery and prosperity.
- **Community Cycles**: Reusing bicycles to promote healthy communities and clean transportation.
We build on our long-standing reputation and partnerships.

Eco-Cycle has been the processor and marketer of Boulder County’s recyclables since we brought recycling to town in 1976. We championed the passage of the countywide tax in 1994 that paid to build the Boulder County Recycling Center. We operated our own outdoor recycling facility from 1976 to 2001. In 2001, we gave Boulder County ownership of more than 40,000 tons of recyclables that had been our financial base for 25 years. We continued our role as the processor and marketer of recyclables and became the operator of the new facility. We have always strived to divert as much material from the landfill as possible and to process materials in the most environmentally and socially responsible way. Our unique, 40-year approach to processing recyclables as a social enterprise has led to some unique benefits to our community:

- We have a decades-old reputation as providing some of the cleanest, most valuable recyclables in the nation.
- We have long-standing partnerships with markets that trust us to provide valuable, well-sorted materials. As a result, Boulder County receives some of the highest prices for materials sold, and we do not get “cut off” from markets when commodity prices drop and markets are forced to cut sourcing.
- We have worked to diversify our portfolio of markets, rather than processing each type of material for one market. That way, when there is a downturn in the market, we can weather the storm by downgrading a material to a different buyer’s stats. Diversifying has prevented us from EVER cutting off a material we previously accepted.
- Our discard rate, meaning the percentage of materials going to the landfill, averages less than 10 percent, and with the new Momentum Recycling contract, it’s closer to 6 percent. This is compared to a national average rate of 20 percent at other comparable facilities.
- We continue to recycle materials to their “highest and best use possible.” We strive to market materials to be turned into products that can be recycled again and again—for example, marketing paper to its highest use so that the fibers can be recycled more times. This approach helps us do more to protect our climate and save more energy and resources.
- We have a trusted track record that we have leveraged (along with our funds) to advocate for important Zero Waste developments, including the passage of the sales tax in 1994 that paid for the creation of the Boulder County Recycling Center.
Our mission-driven approach has led to many “firsts” for Boulder County.

Using the social enterprise approach, Eco-Cycle has the flexibility to pioneer and invest in creative new ways to serve the community. As Boulder County’s non-profit recycling processor, marketer, and educator, Eco-Cycle has chosen to use revenues to help Boulder County become a Zero Waste leader, showing the way with many “firsts,” such as:

- One of the first communities (City of Boulder) in the nation to have curbside recycling service
- First post-consumer, multi-material recycling facility in Colorado
- First school recycling program in the state, and one of the first in the nation
- First commingled sorting system in Colorado
- First community in the state and region to accept many materials, including paperboard, milk/juice containers, many plastics, block foam, yoga mats, big durable plastics, etc. One of the only communities in the nation to continually accept glass
- First community to offer a comprehensive “A-Z Recycling Guide” listing more than 200 materials and where they can be recycled, whether through Eco-Cycle or other programs; this guide is now emulated throughout the nation

- First Zero Waste event in the nation (Rhythm on the River in Longmont), and first ongoing Zero Waste event in the nation (Boulder Farmers’ Market)
- First “Zero Waste Event Kits” to help businesses, events, and residents host their own Zero Waste events
- First hauler to collect compostable materials from businesses, making ours the first community to provide such a service to businesses and sparking more haulers to follow suit
- First to host electronic recycling collections in the state
- Center for Hard-to-Recycle Materials, first facility of its kind in the nation, accepting more types of materials than any other
- Green Star Schools, first comprehensive Zero Waste schools program in the United States