

THE STATE OF THE CIRCULAR ECONOMY IN AMERICA

TRENDS, OPPORTUNITIES, AND CHALLENGES

EXECUTIVE SUMMARY

The State of the Circular Economy in America is the first report to deliver a landscape overview of how organizations focused on the United States are approaching the Circular Economy. By providing an analysis of over two hundred initiatives, this report offers concrete examples of Circular Economy solutions, as well as demonstrates the diverse array of stakeholders and industries that are already participating in the creation of a more sustainable and resource independent economy in America. The goal of the report is to support America's transition from a linear take-make-waste economy to a truly regenerative and closed loop economy by creating awareness and collaboration around the development of Circular Economy solutions.

Findings from the report include a summary and analysis of different initiatives grouped by their Theory of Change and Industry Focus.

Specific categories examined include:

- **Design** Focusing on the design phase of products, systems, or materials to enable better reuse, repair, recycling and/or incorporate less material usage
- **Education and Awareness** Building awareness and interest in Circular Economy principles and activities
- **Financing** Providing funds and investor support
- **Information Transparency** Providing greater insight and transparency into current processes and/or systems
- **Material Innovation** The development of new materials that are more sustainable from a production, lifecycle, and/or end of life standpoint than those currently in production
- **Product as a Service** Offering an alternative to ownership whereby the organization provides a service instead of selling a product
- **Product Life Extension** Creating methods to prolong the use and/or life-cycle of a given product through activities including sharing, repair, reuse, and remanufacturing
- **Waste as a Resource** Utilizing what is considered waste and upcycling and/or recycling this material into another material or product.

The most popular theory of change being pursued by organizations included in the report was Waste as a Resource with almost 40% of initiatives including Waste as a Resource into their business model. Consumer Goods (22%), Materials Management (20%), Manufacturing (18%), and Apparel (16%), were the industries most commonly focused on by Circular Economy innovators.

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EXECUTIVE SUMMARY CONTINUED

Key Findings include:

- *Circular Economy solutions are here in America, just don't call them that.* There are many organizations, including for-profits, social enterprises, non-profits and government entities that are currently taking action in America to promote Circular Economy principles. Many of these initiatives, such as Caterpillar since 1973 with their Remanufacturing program and Goodwill since 1902, may not explicitly cite the Circular Economy in their mission and were operating long before the term Circular Economy entered the mainstream.
- *More focus is needed on closing the loop for goods and materials.* Less than 8% of companies included in the report which sold physical product offered take back options. Even for companies whose business models rely on the secondary markets such as secondhand goods, remanufacturing, and repair, the majority only extended product life by one life cycle. Overall, there was also a lack of communication for consumers around proper disposal options for products with less than 40% of consumer goods companies included in the report offering easily accessible information.
- *Lack of radical alternatives.* Most of the initiatives included in the report are addressing needs within our current economic and production model. These solutions are very important in the short and medium term but to shift to a truly circular economy will require new options for delivering value. For example, what if instead of buying a product, we could buy the 3-D blueprint, go to a neighborhood lab that uses locally generated waste material as feedstock, and print a custom product? Once the useful life of the product was over, the product would be processed back into feedstock for the community to re-utilize. This would create a closed loop system for not just physical material but also for local wealth creation and empowerment.

For the full report, to view the database of initiatives, or to submit your Circular Economy initiative to the database, please visit www.circularcolab.org



ABOUT CIRCULAR COLAB

Circular CoLab is an organization dedicated to supporting Circular Economy innovators in America. For further information or to learn about opportunities to participate, please contact info@circularcolab.org.