

The Commercial benefits: Using recyclates in Washing Machines by V-ZUG

Key Learnings

Use LCAs to Identify Your Main Levers

The appliance industry has been traditionally focusing on increasing energy efficiency, which appears on the label and is important for consumers. **However, structured LCAs reveal two main levers to reduce environmental footprint: energy consumption where energy efficiency is the solution, and material intensity where circular economy is the answer.** Looking at it holistically through LCA shows where your levers are and shows the enormous impact of materials.

Fund Projects Through Self-Imposed CO2 Penalties

Decision-makers typically reject projects that are ecologically wise but economically challenging, saying there's no business case. **A self-imposed CO2 penalty addresses this funding gap by charging the company for its direct emissions and setting money aside annually.** This creates a dedicated fund that enables projects which wouldn't otherwise get approved, such as fundamental research on material properties and building databases to guide decisions.

Scale Circular Supply for Competitive Advantage

Recycled materials often start with higher costs compared to virgin alternatives. **However, external factors like tariffs on virgin materials can shift economics, while regional closed-loop systems avoid these charges and narrow cost gaps.** Contributing your own high-quality waste stream into the recycling process can further reduce costs by lowering processing requirements. The more material volume flows through the system, the more efficient the processing becomes, making regional circular supply chains increasingly cost-competitive over time.

Design Component Compatibility Across Generations

Without intentional design for compatibility, product redesigns often change component specifications for the same functionality, losing potential material streams. **Maintaining design compatibility for long-lasting components where materials don't lose properties enables direct reuse when old products return years later.** This strategic decision to become your own material stream matters particularly in regions without abundant raw materials in the ground, where materials exist in the products around us.

Listen to the full episode here:

<https://circularity.fm/podcast-episodes/the-commercial-benefits-using-recyclates-in-washing-machines-by-v-zug/>

