

## Single Use

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**From:** [REDACTED]@reachgroup.ie>  
**Sent:** Friday 25 November 2022 11:12  
**To:** SingleUse  
**Subject:** Strand 3 (Other Stakeholder Engagement)  
**Attachments:** Reach and Latte Levy Submission 25.11.2022.docx

See attached for submission on behalf of Reach-Delpac.

Regards

[REDACTED]

## REACH GROUP

Reach Group is a wholly owned subsidiary of Mediahuis Ireland (formerly Independent News & Media) and is Ireland's leading print and digital media publisher, owner of some of the biggest media brands on the island of Ireland including the Irish Independent, Sunday Independent, Sunday World, Independent.ie and several regional newspapers. In addition to its print and digital media brands, Mediahuis Ireland also operates a number of digital marketplaces including CarsIreland.ie, Carzone.ie and Cartell.ie. The company is also the largest wholesaler-distributor of newspapers and magazines on the island.

Mediahuis Ireland is in turn part of the Mediahuis Group, a privately-owned leading European media group, headquartered in Belgium, with about 4,700 employees and annual turnover of more than €1 billion.

Reach Group is a large and diverse Irish business, with expertise in product sourcing, warehousing, wholesaling, distribution and manufacturing. It comprises a number of different business units as follows:

- **Reach-Delpac** is one of Ireland's leading suppliers of customised and generic food-to-go packaging, catering disposables, branded bags, boxes, gift wrap, PPE and more to businesses throughout the country. Our customers include many leading high street department stores, fashion outlets, grocery retail chains, cafés, garden centres, schools, colleges and pharmacies. From our manufacturing facility in Ballinskelligs, Co. Kerry, we design and produce high quality customised disposable coffee cups, offering low MOQs and short lead times, eliminating the uncertainty associated with international supply chains.
- **Newsread** is the largest wholesaler and distributor of newspapers and magazines in Ireland, distributing all Mediahuis Ireland titles plus a wide range of other leading titles including the Irish Times, Irish Examiner, Irish Daily Star, Sunday Business Post, Irish Farmers Journal, RTE Guide and many more. The company supplies newspapers and magazines to over 5,000 retailers across the island of Ireland, 364 days a year. Newsread is contracted to the Local Government Management Agency (LGMA) for the twice weekly delivery and collection of books to and from over 300 Public Libraries nationwide. We also operate a waste collection service for WEEE Ireland for the collection of batteries from retail outlets throughout the country.
- **Reach Stationery** is Ireland's 2<sup>nd</sup> largest supplier of stationery to the retail trade with c.25% market share
- **Reach Books** is one of the largest books wholesalers in Ireland and is the exclusive supplier of books to Tesco, Dunnes, Lidl and Aldi

We operate across the Island of Ireland with warehouses in Dublin, Belfast and Derry, utilising a delivery fleet of more than 200 vehicles covering approx. 65,000kms every day, reaching

more than 7,000 drop points daily. Our combined warehouse space totals over 100,000 square feet.

## **CONSULTATION PROCESS ON LATTE LEVY**

The Latte Levy consultation is seeking the views of all stakeholders across three strands — public, business, and other interested parties. As one of the biggest coffee cup manufacturers producing on the island of Ireland (Ballinskelligs, Co. Kerry), Reach-Delpac wish to voice our opposition to the levy. The effects of the proposed Levy will directly affect our packaging business within Reach-Delpac.

The latte levy is a 20-cent additional charge on single-use coffee cups, which Ireland aims to introduce. The levy was designed to help reduce single-use plastic waste and encourage consumers to alter their buying habits.

The team at Reach feel a duty to oppose the introduction of the latte levy due to 2 main factors:

### **1. The real issue is the inadequate recycling infrastructure:**

A study by Amárach Research and Carr Communications predicted that if the latte levy was the only one introduced in Ireland, the reduction in the number of single-use cups could be as small as 70,000. We feel that, in line with these results, the levy in isolation will only go so far and that a levy on coffee cups is only plastering over the real problem – the lack of recycling infrastructure in Ireland. The levy aims to encourage the use of recycled and reusable packaging, but we feel that this is very difficult to achieve given Irelands recycling constraints.

At Reach-Delpac, we have already adopted a more eco-friendly and forward-thinking approach to coffee cup manufacturing. We offer sustainable takeaway coffee cups made from either kraft paper or PET. Our cups are coated with more eco-friendly alternatives such as PLA, which is a plant-based bioplastic made from renewable resources. We are seeing the benefits of biodegradable, compostable, and recyclable options in our business. We feel these alternatives offer benefits of single-use plastic cups without damaging the environment.

On the subject of compostability, we have offered fully compostable cups within our range for some time now. These compostable cups must be put in the compost bin for disposal by a professional waste collection company. These cups do not break down naturally the way an apple does for example, they only work if they are disposed of in a food waste recycling bin and processed in a commercial compost facility. However, the effort to create a more

sustainable coffee environment has started and ended with us here – Ireland simply does not have enough public compost bins. As public compost bins are limited in Ireland, so the compostable cup ends up in the same bin as a plastic cup.

It's very frustrating that despite our investment in sourcing these plastic free alternatives, the reality is that these cups cannot be recycled or composted of as they should be in Ireland. Recently we have invested a lot of money in sourcing a complete paper-to-paper cup – this will mean that for our coffee cups manufactured in Kerry, full paper and plastic free cup with absolutely no plastic components. While many of our other disposable cups carry the recyclable logo, the actual cup is not currently recyclable in Ireland and must be disposed of in general waste. Irish people would prefer to see the Government focus on improving recycling and composting facilities rather than an outright ban on disposable cups.

## **2. Increased costs for cafes and restaurants to tackle Hygiene & Covid Factors**

Many coffee shops we have consulted with, most of whom are existing customers of Reach-Delpac, feel they are not equipped hygiene wise to deal with the handling of so many reusable cups. Many cafes in Ireland are small businesses and they do not have access to industrial dishwashing facilities which would be needed to clean keep cups moving forward. Business owners are very concerned that the additional washing of keep cups will drive staff costs up at a time when energy prices have already soared, and will place a further strain on the water infrastructure in Ireland which already requires significant investment (estimates are that non-recyclable hard plastic cups use 3.4 times more fresh water on a use-for-use basis than disposables).

Customers living in a post-Covid world are more hygiene focused than ever and we believe that customers will be nervous with the new way of being served their coffee or tea. There have been efforts made to reassure café owner's concerns in relation to hygiene and safety – apparently businesses will be allowed to refuse a cup that is deemed to be too dirty or too flimsy. The Reach team feel this may become a contentious issue in store with varying opinions on what is deemed unacceptable.

In summary, although we acknowledge the need to change behaviours in Ireland towards a more sustainable approach, we feel the Latte Levy does not address the real issue here – lack of infrastructure in Ireland to deal with recyclable / compostable waste. Furthermore, we feel that our customers will face additional costs around the new measures, and this will in turn affect Reach-Delpac, putting our revenue under pressure (as we rely on Irish cafes and restaurants staying in business), which in turn could impact upon the 100 plus Irish jobs we currently provide.