

Single Use

From: [REDACTED]@esquirescoffee.ie
Sent: Wednesday 23 November 2022 08:41
To: SingleUse
Subject: Circular Economy Bill (2022)
Attachments: Compostable bin - -Esquires Coffee.JPG; Compostable Products.pdf

Circular Economy Bill (2022)

To Whom it may Concern.

The Circular Economy Bill if introduced will have far reaching consequences for the livelihoods of many café and restaurant owners. Esquires – The Organic Coffee company is a franchise operation with 15 outlets all run by Franchisees who rely on reaching a level of sales in their cafes in order to provide a living for themselves, their staff and their Families. The introduction of a 'latte Levy' will greatly impact on a stores ability to achieve this level of sales and in some cases will put stores at risk of closure .

Commercial impact

Some of our stores rely on Take Away sales more than others. The introduction of a 20c Latte levy will place a lot of this business at risk taking in to account, it represents a 7% approx increase on the price of a hot beverage for customers. This could well be a bridge too far for some customers.

Due to supplier increases we have had to already increase the price of our hot beverages twice already this year. The cost of the raw materials in terms of coffee, tea, sugars, milk and paper disposables and packaging have risen exponentially over the last 12/18 months due in the main to Brexit, Covid, Asia lockdowns, scarcity of raw materials and the Ukraine crisis. Margins have been squeezed so tight that many businesses are on the borderline and to introduce a 20c penalty to customers who wish to purchase a Take Away beverage could end up being the difference between a business surviving or having to close such is the tightness of many business models at the moment.

The reintroduction of Vat to 13.5% on 1st March will further exacerbate the problem insofar as margins will be further eroded. Add in to the mix the increase in staff costs, electricity costs quadrupled and commercial rates increases. It's getting to a stage whereby quite a number of café/restaurant owners simply can't see any future prospects for their business. Unquestionably the introduction of the 'latte Levy' will deter the level of take out sales, it will not balance out with a like amount increase in take out sales using reusable cups. So, on the one hand stores will have less take out sales thus reducing profitability and on the other hand an increase in take out sales using reusable cups will result in extra water

charges because invariably a good number of customers will want to have their cups washed in store.

60% of our customers purchasing a take out beverage sale also purchase a food item of some description from us. Any loss of Take out sales will reduce the level of add on food sales that we currently transact, reduce profitability and further put pressure on the viability of the business.

Currently our café chain is at 96% of sales like for like against 2019 for the first 9 months of the year and this is despite 2 fairly hefty menu price increases this year. So, already sales are down on 2019 and all a Latte levy of 20c is going to do is to exacerbate the problem further not to mention all the extra costs we have to endure as previously outlined. While 96% is not great it masks a further problem insofar as our city stores are underperforming due to a lot of the workforce working from home and in some cases we are only achieving 65/70% of 2019 sales. These stores are marginal as things stand and because they rely heavily on take out sales the introduction of the 'Latte levy' could be the final nail in the coffin. If that is so, not only will the business close down but jobs will be lost and a Family's livelihood and investment will be lost forever. What might appear like a great idea to introduce a levy will inevitably create hardship and devastation for many.

Operational impact

The introduction of the 'Latte levy' is intended to do away with the use of single used paper cups. While this may be a noble quest it will inevitably apply pressure on our stores existing operations. The level of take out sales will certainly drop and for those who bring in their own cups will require extra work on the part of our staff. Our staff will be expected to wash the reusable cups and this task will eat in to their valuable time when already store owners are cutting down on staff numbers due to squeezing of margins. Water rates which are currently extremely high will undoubtedly increase as a result of this extra task of washing of cups our staff will be expected to carry out. There is every possibility that stores will require to install energy-intensive washing and drying equipment to carry out this task, again this is an extra cost that store owners will have great difficulty with.

General comments

We believe we are already making a great effort to be as eco friendly as we can in terms of promoting eco friendly products and providing in-store facilities for waste disposal – see attached. Maybe if the Government provided more public waste facilities throughout the country as most European countries do then the problem might not be so great. There again it has already been highlighted by others that the aspect of single use cups is not as great an issue as is being made to be compared to other litter and use of plastics. Coffee cups account for 1.7% of Irish Litter and 0.0003% of total waste! To me I would suggest there are a lot more key areas to be looked at in an effort to reduce both litter and waste and the reduction in the use of plastic. Counter productive to the latter will see an increase in plastic in circulation, might not have been intended but that is what is going to happen.

Research proves that reusable cups create 2.8 times more CO2 and consume 3.4 times more freshwater than single use paper cups. Clearly the introduction of the Latte levy will not deliver the best environmental outcomes and will see several unintended consequences.

Regards

[REDACTED],
Esquires – The Organic Coffee Co.,
Snap Design House,
1 BRIARHILL BUSINESS PARK
BALLYBRIT
GALWAY
H91 FPY9
Ireland



Email: [REDACTED]@[esquirescoffee.ie](mailto:[REDACTED]@esquirescoffee.ie)
Phone: [REDACTED]
Web: www.esquirescoffee.ie
Facebook/Instagram: @EsquiresIre





This correspondence and any attachments are confidential and may be privileged. They are intended only for the addressee above. Any unauthorised dissemination, use, disclosure, publication or copying is strictly prohibited. If you receive this correspondence in error, please notify us by telephone at [REDACTED] & delete the correspondence from your system. It is the addressee's responsibility to ensure this email and any attachments are virus free.



**ESQUIRES
COFFEE**

Playing our part!

**WE HAVE INTRODUCED THE
FOLLOWING IN ALL OF OUR STORES:**

-  **Compostable hot beverage cups & lids**
-  **Paper straws**
-  **Recyclable paper bags & serviettes**
-  **In-store compostable bins for used cups**

**SUCCESS TO US IS AN ETHICAL,
SUSTAINABLE COFFEE HOUSE
WHERE PEOPLE LOVE TO VISIT AND
OUR STAFF ARE PROUD TO WORK!**

**BEING RESPONSIBLE MEANS WE
TAKE GREAT CARE OF OUR
CUSTOMERS, OUR STAFF, OUR
COMMUNITY, OUR INDUSTRY
AND THE ENVIRONMENT**

**ALL OUR COFFEE IS 100% SOURCED
FROM FAIRTRADE & ORGANIC FARMS**



*Eco-friendly
thermo mugs
on sale in-store*