

SCHULZ ORGANIC DAIRY

Switch to reuse and refill increases competitiveness

Schulz Organic Dairy produce milk from a single herd of healthy Friesian and Jersey cows. Its non-homogenised, organic, full cream milk is made in small batches and provided in returnable, refillable, recyclable glass bottles. It sells in farmers markets and selected retailers across Victoria.

Choosing to switch from plastic to glass has increased the appeal of its product among a wider consumer group. It taps into the growing preference for healthy and environmentally conscious products, and boosts industry competitiveness against Big Dairy.

Each glass bottle sold saves approximately 40g of plastic or 120kg per week across 3,000 bottles. Customers are incentivised to reuse and refill through a refundable \$2 deposit. This shift to a circular reuse program has seen an 8,500kg elimination of single-use plastic per year. On average, each bottle that has left the dairy has been returned, replenished, and sent back to stores eight times. The business has grown rapidly. It sold far more than expected, at 5,000 bottles per week in its first year.

The business is just about to celebrate three years of milk in glass being in the market place. Since its launch Schultz Organic Dairy has saved 26.8 tonnes of plastic, with an average return rate of 86 per cent.

When Schulz first trialled the process of milk in glass at farmers, markets bottles were washed and sanitised by hand. The business couldn't have successfully launched into retailers across the state without the assistance of automating the system through the Rhima washing and sanitising solutions.

It has won a Gold Medal for five years running at the '*delicious* Produce Awards, won an Australasian Packaging Innovation & Design Award (PIDA) from the Australian Institute of Packaging (AIP), and a WorldStar Packaging Award from the World Packaging Organisation (WPO).

Providing milk in a returnable glass to retailers was a big logistical challenge, and expensive. Enlisting expert advice from FIAL, and launching a crowdfunding campaign saw it purchase the equipment and durable bottles designed to eliminate the need for labels. It built a processing facility so that all returned bottles could be rewashed, sanitised, and refilled. The cleaning and sanitising of the bottles through a partnership with Rhima is a very important aspect of refillable solutions, a huge part of why it has won awards for packaging.

Overshooting its funding goal of delivering 3,000 glass bottles a week to retailers, it delivered 5,000 bottles, eliminating 7.6 tonnes per week of plastic from Australia's broken recycling system.

It worked with brand, design, and packaging experts to create a visual identity and debossed bottle design that would best appeal to its target consumer.

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