

Waste Reduction – Return to Retail Programs

September 2008



The Home Depot

- Market transformation initiatives result in measurable environmental improvements while generating strong economic benefits to the business and society.



Market Transformation means changing consumer behaviour



Eco Options

The Eco Options brand is designed to:

- Environmentally preferable products focused on



- Help connect “best in class” products to the customer.
- Provide customers with the knowledge and know-how to conduct more environmentally friendly home improvement projects.
- Provide market leadership with over 1,600 products to date.



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CFL - Overview

- CLF Recycling Program Objectives:
 - Continue to lead the Home Improvement Industry by offering consumers innovative environmental solutions
 - Interactive
 - Not just product on shelf
 - Focus on THD values
 - Transform the consumer market by giving consumers a national recycling location for CFL's
 - Drive incremental sales of CFL bulbs by giving consumers an additional reason to purchase at THD.



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How the program works

- Return your old CFL bulbs to any THD location
 - Eliminate customer risk = bio-degradable plastic bags.
 - Maximize shipping to ensure efficiencies
 - Merchandise build out of 75% recycled material
- Key Partners
 - Associates are trained
 - Marketing Team = customer message
 - Philips Corporation
 - FLR = responsible for recycling of the CFL bulbs
 - Missing partner – “government”



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Marketing Support

- National PR campaign/challenge – “Recycling 1.5MM bulbs by 2011” (date when incandescent lights are banned at retail)
 - Launch Event – in association with Federal Minister of Environment and Clean Air Foundation - supported with PR Releases
 - Follow-up - national matt stories to local/regional papers calling out program.



NEW AT THE HOME DEPOT – CFL RECYCLING CENTRE
Compact Fluorescent Light bulbs (CFLs) contain a small amount of mercury and should not be thrown in the garbage.
Bring your used CFLs to The Home Depot and we'll ensure that they're properly recycled.
Visit HOMEDEPOT.ca/ecoptions for more information.



- Flyer Support
 - Call out on front cover of all national flyer for launch
 - Ongoing – where applicable – call out to support the recycling program



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Program Results

- Since outset of the program
 - Double digit increase in CFL products
 - Double digit increase in GM CFL products
 - Sales used to support the program
- Bulbs collected have been recycled back into other products
- 100% Mercury recovered from CFL products
- Positive Consumer Reaction
- Continued leadership in the home improvement industry
- Competitor launched same program



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Recycling Programs and Partnerships

- “Keep Cool” – exchange of old inefficient air conditioners
- “Toilet Truck Loads” – municipal discounts on low flow toilets
- “Mow Down Pollution” – exchange of old inefficient gas lawn mowers.
- Holiday Light Exchange
- Paint Recycling
- Battery Recycling
- Store waste reduction programs



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Key Retail Factors

- Waste Reduction = Sales/Margin/Profitability
- Waste Reduction = Cost Reductions
- Packaging or Waste driven programs need to be inclusive.



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Thank You

