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*Speaker 1:* The circular economy really must become the dominant form of production and consumption in our societies, and that's really the fundamental battle for ZACK.

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*Speaker 1:* Hello everyone. Pierre-Emmanuel Saint-Esprit, co-founder of ZACK. ZACK's mission to combat electronic waste, as currently, 54 million tonnes of e-waste are produced every year worldwide, which is a truly phenomenal amount. And the outlook for 2030 is for 70 million tonnes, if we don't do anything to reverse the trend, and so how can we do that? We ensure the best possible second-life for used and unused products, from individuals and from businesses. And there are four second lives, so as to ensure the best re-use is resale: finding financial value in products and thus increasing their desirability. Repairing. Donation to charities. And the least best solution, if there's no other choice. Recycling. But before something actually goes to the recycling centre, or stays in a drawer, or maybe ends up on a pavement, and then, possibly, ends up in the ground. How do you maximise the reuse of these products? Thanks to ZACK you can make an impact on the environment. And you can make an impact on yourself, as you can empty out your cupboards and make space at home, and also make a societal impact.

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*Speaker 1:* How I co-founded ZACK with Timothée Mével, my partner on the ZACK project. Actually I was in class at the University of Berkeley, California, with Timothée. He did a master's degree in entrepreneurship at the Polytechnique, and was at Suop Aéro before that, and I went to the Essec business school. We met each other at that university. We had to come up with an entrepreneurial project. And Timothée came up with this idea, which came from a rather funny personal experience: when he was little, he was responsible for his family's eBay account. His father had said to him "Go ahead and sell all these things." And then you can keep a bit of what you get from selling them." Timothée came up with this project, which was interesting from the standpoint of exploring the market, exploring the idea, etc., and at the same time there was the environmental side, as it promotes reselling things that people no longer need. And that's how we started to work together, and we've been working together ever since then. And we continued to work on the project once we'd returned to France. We were accelerated by the Numa incubator, which was working in that field at that time, and was supporting quite a lot of businesses being launched. Numa also supported Back Market, one of the leaders in the resale of refurbished products, which launched in 2014. We were finishing our studies. Really we launched this business while we were still studying. Me, I completed a work-study program at a consulting company. Timothée was finishing his master's degree, and we gradually decided to focus ourselves 100% on this project, it was our first job, trying out a bunch of things and giving a real existence of society, and we set up the company in May of 2016. We got the company formally registered in May 2016, and that was really its starting point. We were 22, 23 years old. The starting point of our entrepreneurial journey.

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*Speaker 1:* So, more concretely, what exactly is the circular economy, as compared to the

current, dominant economy, which is the linear economy? In the linear economy, you buy a product, you use it, and then you throw it away. And afterwards, maybe something's made from that product, but it's not your problem anymore. You don't really bear any responsibility. It doesn't concern you at all, from a mental burden point of view. The circular economy simply means that a product is already designed in a certain way, so that it can be easily reused, it's reusable. So it's going to be designed. It's sold to you as a consumer, and after that, once you've used it for the first time, you'll be able to give it a second life, a third life, a fourth life. The second life: It's repaired and sold to someone else. Or it's simply sold to someone else without being repaired. And once the product has been used so much that it's no longer be repairable, it's able to be transformed into another product. Obviously, it has to be designed-in from the start of the design process, because you can't transform a product (if, for example, it's an electronic device and everything is glued inside), it's transformed into another product. And then, ultimately, really 20 years, 30 years, 40 years later, we're talking about durability. It's going to be recycled, but properly recycled. And that will also have been designed in from the start. So there you go, the circular economy is simply about using as little as possible of newly extracted resources, so as to continue consuming, if need be, more or less, in the same way. It's not about stopping eating, it's not about stopping using products. It's about when you buy a product, minimising its environmental footprint, and above all your impact on natural resources. You have to understand that currently, if we take the example of plastic, 98% of the plastic that's produced today is produced from new oil, from newly extracted oil. So you can say whatever you like about collecting recycled plastic. It's on a global level, it's not just in France. In France, it might be better than that figure, which is astonishing. But the real point is to stop making our economy work a certain way. That we stop using up 1.6 planets every year instead of just one. Understanding that the planet regenerates every year, that's what the circular economy is, it generates jobs in a lot of different ways. It generates savings, notably by reducing materials costs, because using potentially recycled materials that have already been extracted, lowers material extraction costs. There are only environmental and economic benefits, and it has to become the dominant means of production and consumption in our society. And that's it. That's the battle for ZACK. What really appealed to us about the circular economy is that you have the entrepreneurial aspect, the aspect of creating an economic model, recruiting a team, having an autonomous business model. And alongside all that, as we're talking about France, being able to pay our taxes, pay our VAT, and finance the French redistributive model: social security, employment centres, all that. And at the same time, doing it effectively within the limits of the planet's resources, doing it all responsibly. Currently, people think that it's one or the other. People think you've either got to be in the voluntary sector, the solidarity economy sector, immediately think about thrift shops and the like, or they think you have to be a ruthless corporation, polluting as it grows, and so the circular economy seemed fantastic to us. And such an unexpected or hypothetical, borderline miracle solution, so perfect because it sort of reconciles the two. And so that was it, we had these two aspects there in us, this entrepreneurial drive to create a company, to operate autonomously, quite liberal, in broad terms, and to create an autonomous model, to build a team working around shared values, and at the same time, every time we'd make made a euro in turnover, somewhere we'd be making our

contribution to respecting the planet and natural resources. That's really what really convinced us, starting out.

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*Speaker 1:* Timothée and I have always been convinced that we need to respect the planet. I think we're part of a certain generation, I'm 28 and he's 29, we're part of a generation that needs to have meaning in their jobs, a generation that's quickly getting quite exasperated by the fact that we're not paying attention to the planet, as it's our planet in the end. We've still got many years to live. Personally, I've got two young kids, so I'm also aware that everything we're doing now will have consequences for them. As Saint-Exupéry says, we really inherit the planet from our parents. And then after that, we pass it on to our children. We don't own it as such, and so perhaps for this generation it's important for us to work in jobs that make sense, and that actually respect natural resources. During a ZACK seminar with our teams, we went to clean up beaches. We also cleaned up cigarette butts in Paris. It's something that unites the team around the shared values that bring us all together. That's really important these days. Really, I think for our generation, and in fact not just for our generation. There are a lot of slightly older people, (in inverted commas, if I can put it that way) who are currently considering a reorientation, about having meaning in their jobs, not waiting 10 or 15 years before asking themselves why? Why am I working? What's my mission? Why am I made a certain way? It's a great opportunity, and I hope that as many people as possible will soon be able to align their jobs with their beliefs. You can feel this alignment. You're happy to go to work. You're happy with the different steps you take, because, if you don't have that, then things feel a bit robotic, you quite quickly get a bit frustrated. You need to change your job quite often.

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*Speaker 1:* So how does ZACK work? The first thing, if you're an individual, is you go to ZACK.eco, which is our website for individuals, and you'll be asked to make a list of the used or unused electronic items that you've got at home and that you want to get rid of. You see a selection of icons, so you can find an icon for a computer icon, a camera, a cable, and so on. You really have all types of electronic items there, and not just the valuable items that everyone thinks of today when it comes to refurbishing or recycling. Then our search engine tells you what you can do with those things. Can they be resold? Can they be recycled? Can they be donated to charity? And it's you who chooses. We make our recommendations to you, but in the end it's the individual who makes the choice. What's the best second life you wants to give to your item? Then, you're provided with a postal label to download, after you've filled in your information into your customer account, or with a French parcel delivery label if you prefer. You put all your items in a small package, a pretty standard package. Then you drop off your package at the post office or at a parcel delivery office, and within 30 days maximum. We process your products, make an inventory, check what's arrived, diagnose the items, and resell things that are recoverable, that's to say ones with a financial value, and recycle the others in France in an environmentally friendly way, with certified partners. And we get back to you regularly via email to keep you updated with the process. And within 30 days maximum, you're credited to your online account. It's a bit like the Lydia or the Pumpkin apps, or a BNP Paribas bank account, it's really simple. And you can transfer the money to your bank account, or donate it to a charity. In fact every year ZACK

holds a charity contest to support three of them, so as not to dilute our efforts too much and so that we can properly support them. So, we support them with donations of equipment, as well as with financial donations. Currently we have three. One of them works on combatting the digital divide, and teaches people, who are so far removed from digital technology, that it's very difficult for them to live their daily lives: filing tax returns, booking a medical appointment online, and so on. We also support a charity that works in the circular economy with furniture, giving a second life to lots of furniture which would otherwise go into landfill, and which, in the process, employs people who have difficulties finding work. And then we're going to be working with a charity that's working to integrate refugees into the working world. You also can have a social impact thanks to the money generated by the circular economy. So that's how it works for individuals. I'll make the transition by saying that individuals can also recommend their company to ZACK, so, for example, they can go see their office manager or their IT manager and say: "I'd really like our company (because we're employees, but we're also citizens), to get into the circular economy loop. And how do we do that? Have you seen ZACK, which gives a second life to used IT equipment, and not just for my stuff, but also companies' equipment." How does it work for companies? We go all over France collecting IT equipment, used or unused. So we make a very precise inventory of all the items that you had stored in cupboards. Everything that's out of sight of your workers, we produce a very precise inventory of all that, and we tell you what we can do with it. We can resell this. We can repair that. We can donate this. We can recycle that. This whole process takes place. And all the equipment is sent off to its second life, and then, after 30 days, a financial report is sent out: thanks to the circular economy, these products which no longer worked for you, and that were even taking up space. We were able to resell them. We were able to recycle them. And when we say recycle, that means that it's raw materials that will go back into the steel industry, for example. If we resell a product, that means that it will be sold to an operator who repairs it, reconditions it, and finds it a new use. And this prevents new greenhouse gas emissions that would have been made during the production of new materials or new electronic devices. But we also send something very important. A CSR report. So currently, when a company has over 500 employees, or over 100 million euros in turnover, they have obligations to make assessments of financial externalities, so balance sheets that not only deal with the financial and accounting aspects, but also with the company's environmental footprint, their societal footprint, which is based on diversity. And currently, there's a lack of solutions when it comes to reducing environmental footprints so as to really start taking action. So there are a lot of companies that say they're going to do things, they're going to assess their carbon footprint and all that. But once they've made that assessment, how do they improve? So we provide a simple solution for starting on reducing the environmental footprint of your company. We do everything to make it as simple as possible, via used IT equipment. 80% of a company's digital footprint relates to hardware, to electronic devices. So we can start them off with a very concrete impact. But behind all that, they need the figures to prove it. And so we send them this report, where we say: this is the volume of electronic equipment you've saved from landfill. This is the equivalent CO2 tonnage. And there you go. Material by material, this is what you saved. There were 10 kilos of copper, 30% of lithium, etc. ...and it's visual. We also send a media kit so companies can communicate internally and externally. And as we're certified by Ademe, a company committed to ecological transition, we also issue an e-waste combat

certificate. We also detail the societal impact: the number of hours of workplace integration funded, the people who make the inventory of ZACK products, are in fact in workplace integration, and spend around one year in the logistics centre so they can readjust to working in a company, before finding a longer term job in another or a larger company. And so, as we're financing that via the inventory-taking, the company also has a direct societal impact, and this report can be fully integrated into those much-vaunted reports that are requested when carrying out extra-financial audits. So that's the whole process, which takes around 30 days. And that allows companies to combat e-waste in a very concrete way. They have a societal impact, and they can extend the process for as long as they can and want to, as there's no minimum collection.

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*Speaker 1:* So the circular economy is something that a lot of people are talking about these days, but which is still generally quite vague. A lot of the time people confuse the circular economy with recycling, but it's a much more complete and complex approach than that. And since we've all been pretty much brought up within the linear economy, when you make a choice, when you set up a circular economy system, you come up against a lot of hurdles. And what are these hurdles? The first really relates to the fact that there's a huge distortion between the real value of a used product, of a second-hand product, and the consumer's perception of their product. So there's an initial hurdle relating to the reality of the circular economy market. As long as there aren't many products that are bought by manufacturers to be repaired and reconditioned, in a lot of fields, not just electronic products, but also in fashion, of course (so, you have the example of fashion with Vinted which works well), and in many other sectors, if you don't have someone or a company to buy those used products, then you don't have an economic model. And so without an intermediary like ZACK that's trying to make it all smoother, you won't be able to offer a price. And so the cognitive bias is huge in those terms, so that individuals feel confident enough to be able to take part in the circular economy. The second thing is an important driver of the circular economy. Which is that our planet's in danger. But today, unfortunately, the only thing that's really going to affect the act of buying or reselling a product, is going to be price. You can have strong convictions, and say you're convinced that we have to do something for the planet. You're convinced that you have to change your patterns of consumption. Ultimately, consumers, when they're in front of their computers, when they're about to click the "buy" button or not, the number one factor in every survey, whether they're a consumer with stronger or less strong convictions, it's the price. That's why the ecological aspect and the economic aspects mustn't be diametrically opposed, because otherwise it's always going to be just that 5% of consumers, the 5% with convictions, the 5% of people who are ok with a zero waste lifestyle, who are ok with changing their entire pattern of consumption. And most of the time you notice that these are people who can afford it financially. So, we really have to combine the two, as there's another cognitive bias which means that when we you buy something, you only think about the short term. People don't think about long-term issues, and as long as they don't affect them, they won't be taken into account in future purchases. This cognitive bias is that you only think about what might happen right now or next week. So you can't impose radical changes on citizens, or on consumers, who are in fact exactly the same people. What if you

have a public authority, or if you're a business, but something can be slipped smoothly into consumer behaviours without making them feel like they're being forced. So that's extremely important, and these are really the hurdles that we've been able to deal with at ZACK on a B2C model. These hurdles are gradually being removed, first because in the B2B segment, companies no longer have a choice, they're facing ever more constraints. There's the anti-waste, law which was passed last year, combatting waste globally, of all products, and not just food products, which were subject to a domestic law. There's the ban on the destruction of unsold non-food items, a digital ecology roadmap that's just been voted in, which, for example, says that the State has to ensure that public procurement includes 20% of refurbished products, so there are more and more constraints in terms of companies, and at the same time there's a rise of awareness among employees, who are demanding that their companies be more eco-friendly. And so now, after having felt like a voice in the wilderness for the last 4 years, today we seem like a simple, easy solution, and one which also brings in cash. Once again, it's the economic model, because in B2B we now pay 80% of our customers thanks to the value we obtain from the products.

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*Speaker 1:* What are the prospects for ZACK, currently? The first is simply to continue improving our service, and perhaps more particularly in terms of our different clients. Today, when I talk about our B2B service, we have major account clients, like the TF1 group, like Truffaut, like the Manutan group. We're going to have growing company clients, Doctolib, Cheers, Content Square, we're going to have quite a few micro-businesses and SMEs. We also have public authorities, such as the Clichy town hall, and soon the Paris town hall. We have schools, and each time their needs are different, so in a way, the principle prospect for ZACK is moving beyond the universal offering currently have, continuing to listen carefully to our clients, so that we can classify them by typology of needs, by typology of customers, customise our service, and thus really adapt ourselves. For example, for town halls, we're in the process of creating a collection service by children in their schools, as typically in Paris, district town halls have control over school funds. For those who have children, and these children sensitise their parents and their ecosystem, and bring in all their used electronic products to their schools, and the money from the revaluation of these products makes it possible to support a charity chosen by the children by a democratic vote in their school. It's something that's quite playful and fun, which costs individuals nothing, and that raises awareness about the cause. We already did this for a charity called the Jane Goodall Institute. For those who know about Jane Goodall, she's a biologist who's been campaigning for biodiversity for a very long time, she's less well known in France than elsewhere. But the Jane Goodall Institute, which notably teaches children about respecting the planet, set up an operation where all the Jane Goodall children in France collected used items. ZACK was working behind the scenes, and all the money from the operation was donated to the Institute to support its actions. That's an example of times when in a certain way we did a little bit of customisation for a market segment. We're also starting on a second area for diversification, as we're seeing that quite a few of our clients, when they're getting rid of IT equipment, they also need to get rid of other types of products, and most of all, furniture. I

can't really name any companies right now, but there's a particular multinational that specifically asked us to think about furniture. How, when people get rid of the IT equipment, how they can also have a eco-responsible circular economy solution for recovering and reusing furniture. And so we have specific expertise about electronic items. But now we also have expertise on how we can, to a certain extent, monitor a circular economy chain, using the right technical tools, back office, front office. Who are the right contacts? We know what an eco-organisation is, we know how to talk with them. We understand the industrial ecosystem, reverse logistics for delivery, and so we're moving much faster towards building a turnkey service for that. That's our second prospect, and the third is the geographic aspect. As I've been saying, it's very important for us to be environmentally friendly, including during transportation. And so, as we're starting to have customers all over the place, so in the medium term it makes sense to open logistics centres in different parts of France. We're thinking about the South-West and the Lyon region, and maybe in future in European countries, if we see that there's a very specific area where we have a lot of demand, so as to be able to take inventory, refurbish things locally, and not have our products traveling millions of kilometres.

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*Speaker 1:* If I had to give any advice to consumers, this first one might be the most important. It's simply telling yourself that there's no such thing as baby-steps; very often because of poor environmental marketing. And the culprits know who they are. I'm saying that jokingly. But really, in a way, ecology is seen as a dirty word, something really complex that's going to revolutionise the ways we consume, how we behave, in a certain way, from an ecological point of view, and that's true, and a lot needs to change. But the problem is, if we overlook the cognitive and group inertia aspect, then really we're going to get nowhere and nobody's going to change. So my first piece of advice is to tell yourself that there's no such thing as baby-steps, and that everyone can do a little bit for the environment. Anyway, the least we can do is change our own behaviours. And we can do that without realising it, in a certain way, having a significant impact, by remembering that it doesn't take much to change. We all have the right to have our own little guilty pleasures. Things that aren't that great from an environmental point of view, but keeping them within reason, so that might be... the most classic things, but really, when you're choosing between two products that are more or less the same price, try to make the effort to find out which one's more eco-friendly. Find out the reparability index for electronic products, that's included in the anti-waste law, which will gradually be appearing on shop shelves for certain types of products, such as phones. And if they're the same price, choose the more eco-friendly one. When you've got a product that no longer works, instead of getting annoyed and throwing it straight in the trash and buying a new one, find out if it isn't really easy to fix it. And you're going to save money by doing that. And also, it's really satisfying to fix something, feeling like you're a bit of a MacGyver. I managed to fix my thing, and did it all on my own. And then the problem's fixed faster than if you'd got rid of it. Because to get rid of it, someone has to come and pick it up, you don't have it for a couple of weeks, and so on. So think about all these little things you can do without changing your day to day life, and even potentially improve it, you can be eco-friendly and be part of the circular economy, so look for all those quick wins, where, without going all-in eco-warrior, you can do things in a smarter way, and

you'll save yourself money, and, if you have the time, you can ask your managers or your company, your company directors, or quite simply our leaders at the national level, there are regional elections coming up, and also from a presidential election point of view, demanding help in this area, so that it turns into an issue that's really at centre-stage. How to go about becoming eco-friendly, without dividing people, without making it so complex, so utopian, that it's impossible to do, and asking leaders to think about smart solutions, and ones that have a real impact, so they'll actually do something about it!

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