Peerless Coffee & Tea

Peerless Coffee & Tea supplies high-quality roasted coffees to East Bay hotels and restaurants, maintains a retail store, and offers online retail ordering. It is a family-owned business; the third generation now operates the company, which was established in 1924. Peerless employs 80 people and formulates, roasts, and packages its custom coffee blends in a 25,000-square-foot facility.

Challenges

- Tons of valuable Mylar packaging being wasted
- Difficult to recycle major source of waste - coffee chaff
- Limited capital for new projects
- Outdated packaging equipment

Solutions

- StopWaste Business Waste Prevention grant of $100,000
- A vendor that can recycle coffee chaff
- Expanded recycling program
- Mini-grant funding of $5,000 for recycling bins

Benefits

- Savings of $110,000 a year
- Waste stream reduced by 85%
- Upgraded packaging machinery
- StopWaste Recognition Award recipient

The Story

With firsthand knowledge that cutting waste increases profits, Peerless contacted the StopWaste Partnership for help in locating recycling vendors. The result was successful collaboration on a waste prevention project that not only benefits the environment, but also has eliminated $110,000 in annual purchasing and disposal costs. This coffee roaster is committed to “quality management, employee talent, financial soundness, quality of product and services, and social responsibility.” The commitment helps drive waste reduction efforts and has made Peerless an excellent partner.

Challenges

Peerless wanted to reduce waste, materials, and labor. A lot of valuable Mylar coffee packaging was being thrown away due to inefficiencies in the packaging process. Coffee chaff—the outer skin of a coffee bean that separates during the roasting process—was a big part of the waste stream, but the company didn't know how to recycle it. Because Peerless is a small, family-owned company, little extra capital was available for new projects.

“You wouldn’t believe the cost savings from cutting waste, it’s amazing.”

GEORGE VUKASIN JR.
Vice President, Peerless Coffee

StopWaste helped Peerless recycle its coffee chaff, a major part of the company’s waste stream.
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Solutions
Increase the efficiency of Peerless’s manufacturing process by reducing Mylar purchases and eliminating unnecessary waste.

Recycling and Composting
A big part of Peerless’s waste stream was coffee chaff, a by-product from roasting coffee beans. StopWaste was able to find a vendor that not only could collect the chaff for composting, but also could set up a comprehensive program to recycle paper, cardboard, and beverage containers, and compost spent coffee grounds and food scraps. StopWaste provided a $5,000 mini-grant to help Peerless purchase additional recycling bins. Programs have also been put in place to recycle wood and burlap coffee sacks. These efforts save $10,000 a year and reduce waste by 50 tons.

Packaging Upgrade
The only significant source of waste remaining in the company’s garbage was Mylar scrap left over from coffee packaging. A StopWaste cost benefit analysis revealed that it was not practical to recycle the material at that time. The only efficient way to deal with the Mylar was to change the business practices that created the waste in the first place.

Every time Peerless switched from packaging one product size to packaging another, the packaging machines had to be manually recalibrated. During the calibration process, Mylar packaging continued to flow through the equipment, ending up as non-recyclable waste. Through the Business Waste Prevention Fund, StopWaste provided a $100,000 grant to help Peerless purchase upgraded packaging equipment. Newer computerized coffee packaging machines are much more efficient because they can be calibrated electronically. The new equipment reduced the amount of Mylar waste by 95 percent and saves $100,000 annually in reduced packaging supply costs.

“We’ve been handed a great tradition—but we also have other priorities, like improving the environment.”

GEORGE VUKASIN JR.
Vice President, Peerless Coffee

The StopWaste Partnership
The StopWaste Partnership is a free technical assistance service dedicated to improving the environmental performance and reducing costs of Alameda County businesses and public agencies. The program provides expert support and funding to prevent waste, conserve water and energy, and use all resources more efficiently.

Helping Make Business Sustainable

The bottom line:
• $105,000 in grant funding
• Annual garbage bill reduction of $10,000
• Cost-benefit analysis led to savings on packaging of $100,000 a year
• Mylar waste cut by 95%

Visit www.StopWaste.Org/Partnership or call 1-877-STOPWASTE.