Incentivizing a Circular Economy in Colorado

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ASTSWMO Joint Hazardous Waste and Materials Management Training
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Providing funding, expertise and economic data to Colorado businesses, communities, universities and start-ups to turn recovered materials into marketable products.
“Closing the Loop” Through...

- Technical Expertise
- Business Planning
- Facilitating Connections
Lives Under the Recycling Resources Economic Opportunity Program

- Revenues = $0.14 per cubic yard tipping fee
  - Generates $4 million in revenue annually
- Year 1 Colorado NextCycle Budget = $174K
Inspiration

- China’s National Sword Policy
- Past Grants Experience
- Other State/Regional Programs
- New Statewide Waste Diversion Goals - Adopted in 2017
Project Arc

- Project Team Recruitment/Selection
- Project Team Onboarding
- Bootcamp
- Pitch Session
- Exit Interviews

Consulting

Marketing
- Review Team
- Built-In Consultant Network
- Variety of Backgrounds = Unique Expertise
Eligibility

- Improve Existing End-Markets
- Create New End-Markets
- No Maximum/Minimum Project Size
- No Preferred Geographic Distribution
- No Preferred Material List
- Teams May Be Based in Colorado or Looking to Expand to Colorado
- From Start-Ups to Mature Businesses - All Are Welcome
Criteria

1. Market Need
2. Project Impact
3. Financial Viability
4. Project Team Experience
Outcomes

Out of 9 Project Teams:
- 2 teams invited to give investment pitches to outside investor groups
- 3 teams recruited to participate in other business accelerator programs
- 2 teams in early discussions with municipalities for potential site locations
- 4 teams established either formal or informal commitments for feedstock supply

PROJECT BRIEF

9Fiber is an agro-technology company with a proprietary technology to transform cannabis and hemp waste into raw materials for industrial uses. The team has a patented process that uses both hemp and marijuana grow waste to create fiber from the waste hurd and bast fiber. The fiber can be used in a wide array of manufacturing ranging from packaging and automobiles to clothing and cosmetics. The team entered the NextCycle program considering a facility located in a Pueblo, CO development zone and was interested in moving their project from the design and proof of concept phase to the demonstration and pilot phase.

PROJECT ACCOMPLISHMENTS

- Explored testing labs and hauling options for feedstocks.
- Improved understanding of Colorado specific markets, transportation costs and feedstock.
- Demonstrated knowledge of potential applications and viable end market options.
- Can clearly articulate the value proposition of the company.

BUSINESS STATUS

AUGUST 2019 - 9Fiber is an early stage business looking to have a pilot plant built and in operation in Pueblo, CO by the end of 2020. During the NextCycle program, the company has progressed out of the R&D phase and is focused on raising funds to build the facility. The company has met with regulators, city & county members, waste consolidators, cannabis/hemp growers and companies that could utilize 9Fiber’s products in their product. The company has signed contracts with large hemp and marijuana growers to ensure supply of the feedstock material. Through the NextCycle program, the company learned of the challenges with transportation in CO and is looking to bring on a logistics person for hauling and transportation coordination. 9Fiber has received interest and Letters of Intent from clothing companies that want to use the end product fiber in their textiles.
Lessons Learned

- $5,000 Mini-Grants were not an incentive
- Importance of Technical Assistance Committee
- Marketing to the right audience
- 10 hours of consulting assistance per team was not enough
- Bootcamp should be longer and more robust
Thank You

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https://www.colorado.gov/pacific/cdphe/nextcycle

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