



DISTRIBUTOR'S Journal

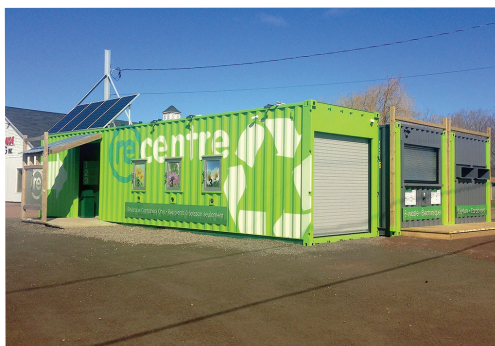
ENCORP
ATLANTIC INC

SUMMER

► RE-CENTRE (BAG-DROP) PROJECT



It is fair to state that the data gathered so far on the  project are both amazing and surprising. Nearly two years after the initial start-up of the unmanned bag-drop project, we can now confirm numerous consumer patterns. The most revealing is the fact that the majority of participants are keeping their accumulated balance in their online account. Not having their cash immediately had been identified as a major obstacle during the planning process by existing Redemption Centre (RC) operators. Other interesting data is the frequency of visits and day of week. We've noticed that the first ever visit to a  centre by a registered member would involve numerous bags being dropped-off (more than 6), while subsequent visits would see a much reduced amount of bags (1 or 2) being deposited. All indications point to the bulk of the traffic being on weekends, while 51% of the total volume collected at both re-centres in Moncton are dropped-off while traditional RCs in the test area are closed. Consumers use the unmanned service close to busy retail hours. This is a most relevant factor.



25TH ANNIVERSARY OF THE NB BEVERAGE CONTAINER PROGRAM

As we inch closer to the 25th anniversary of the New Brunswick Beverage Container Program in 2017, the more we realize the need to manage smarter and leaner!

Our premier Brian Gallant announced in a recent state of the province address that New Brunswick needs to get away from the status quo: "The status quo does not work. It's clear. You can see it throughout the province. The status quo has gotten us where we are today." We might have to remind the government of this obvious need for change and modernization as it pertains to the management of the Beverage Container Program. For years, Encorp Atlantic has been requesting more cooperation amongst stakeholders, better standards for collection depots and much needed changes to the very definition of a beverage container. While redemption centres (RC) are struggling with growing operational costs, much of the focus for progressive changes to how we manage post-consumer containers in New Brunswick has been moving at a snail's pace.



www.gnb.ca

Government needs to create conditions for change. If we are to move forward, then let's be smart, lean and strategic. Distributors have been demonstrating leadership in this field for years, yet governments of all colors in New Brunswick have ignored the call for progress.

The intent is clearly to drive future innovation and efficiencies to collecting and managing post-consumer containers in New Brunswick. Over the past two years, a series of research projects have been gathering data and information on consumer patterns and preferences and will prove vital in our recommendations for a renewed approach to the Beverage Container Program.

As a lead-up to the 25th anniversary of the Beverage Container Program next year, our hopes are that the lessons learned from the research initiatives will foster greater cooperation amongst stakeholders, a much needed technology transfer favouring customer convenience for all RCs in the province and a renewed vision for the long-term sustainability of the Beverage Container Program in New Brunswick.

TO CONTACT US:
1-877-389-7320 • www.encorpatl.ca
Moncton Area: 506.389.7320

**Pauline
Nowlan**
Accounting

**Paul
Robichaud**
IT

**Colette
Boucher**
Finance

**Pierre
Landry**
Environment

**Tim
Pidgeon**
re-centre

**Mario
Cyr**
*Quality
Assurance*

► QUALITY CONTROL (QC) – NEAR PERFECT ACCURACY – .045%

Over the past year, the count adjustment method used with RCs in New Brunswick has resulted in near perfect accuracy. For the full 12-month period, reported accuracy was -.045%.

We are actively working on the next phase of Encorp's statistical sampling method model. The principle behind the new concept is based on every RC's average per sort used as a method of payment (per bulk bag collected and processed). This is a paradigm shift that will transition our current Count Adjustment Model (QA/QC) from an adversarial role to a model using the law of averages per individual RC as method of payment. The change in approach is cost-neutral for our operations and a natural evolution of our initial intent to drive accuracy. Also, once implemented, this new approach would not require RCs to count for Encorp. We are currently running tests with a limited number of centres in the province and will be reporting on our findings and conclusions in the fall of 2016. Our QC/QA model, implemented in June 2010, is now being used by Nova Scotia (Divert NS) and Newfoundland and Labrador (MMSB).

► ELECTRONIC REMITTANCE FORM – NEW BRUNSWICK

Encorp has recently introduced an electronic version of the Distributors Remittance Form. Available at www.encorpatl.ca, as of July 1st, 2016, the form can be filled online and sent electronically by selecting the Submit option. Distributors can also access the paper format on the Encorp Atlantic website.

ENCORP

Form must be submitted within 10 days of the end of your accounting period.
 Payment must be received within 30 days of the end of your accounting period.
 For assistance call 1-877-389-7320 ext. 1

New Brunswick Beverage Container Deposit Remittance Form

Distributor Number
NB 01234

Period
2016 3 Jan - 01 3

Distributor Name
Company name...

From Date **To Date**
MM/DD/YYYY MM/DD/YYYY

| Container Material Type | Containers Sold | | Column C Total |
|----------------------------|---------------------------|---------------------------------|-------------------|
| | Column A Taxable Sales | Column B Non - Taxable Sales | |
| Aluminum | | | |
| Steel | | | |
| PET | | | |
| HDPE | | | |
| Cartons (Gable Top, Tetra) | | | |
| Glass | | | |
| Other | | | |
| Total Containers | A | B | C |

Deposits

| | | | |
|-----------------------------|----------|----------|----------|
| 25 Refundable Portion | D | E | F |
| 25 Non-Refundable Portion | G | H | I |
| 15% HST included | J | K | L |
| Remittance to Encorp | M | N | O |

Rev. 2016
Print
Submit to Encorp

► HST – NEW RATE AS OF JULY 1ST 2016

The Government of New Brunswick announced in its most recent budget its intention to increase the current rate of the New Brunswick component of the HST to 10 per cent effective July 1, 2016, resulting in an overall HST rate of 15 per cent in New Brunswick. Transitional rules are required to determine which tax rate - the existing HST rate of 13 per cent or the new HST rate of 15 per cent — would apply in respect of transactions that straddle July 1, 2016.

Under the transitional rules, suppliers would generally be required to charge the 15 per cent HST on any consideration that becomes due without having been paid, or is paid without having become due, on or after July 1, 2016 for taxable supplies of property or services. Under the ETA, the consideration, or a part thereof, for a taxable supply generally becomes due on the earliest of:

- the day the supplier first issues an invoice in respect of the supply for that consideration or part thereof;
- the date of that invoice;
- the day the supplier would have, but for an undue delay, issued an invoice in respect of the supply for that consideration or part thereof; and
- the day the recipient of the supply is required to pay that consideration or part thereof to the supplier pursuant to a written agreement.

Unless otherwise indicated, the transactions described in this notice are those that, for purposes of the ETA, would be considered to be taxable supplies made in New Brunswick.

► NEW FLEET OF TRUCKS AND REDUCED SORTING

Late last fall, Encorp Atlantic and its new collection & transportation service provider, GM Rioux Transport, unveiled a new fleet of trucks and compaction trailers. This new generation of trucks will provide cleaner technology and more fuel efficiency to our daily collection services. This change also enabled Encorp Atlantic to reduce the sorting list from 13 to 8 sorts. This is a win-win for everyone along the line. From faster service for customers at RCs to less sorting for redemption centre staff, as well as lower operating costs and better fuel economy for the Program.

