

## **Re-Ship: Saving cold shipping materials from the landfill**

### **PROBLEM/OPPORTUNITY**

(150 words)

[Describe the problem you are solving and the impact it would have on the Austin community. Avoid technical terms and only focus on explaining the opportunity.]

A clinic that is a part of Texas Oncology Network receives approximately 50 styrofoam and cardboard boxes and 150 ice packs a month. All parts of the cold shipping materials are thrown away because the medical shipping company that ships the medicine to the clinic does not have a recollection process. This leads to 600 styrofoam and cardboard boxes getting dumped into landfills annual for this single clinic. There are 8 clinics in the same network in the Austin area with this same problem. In recent years, the profitability of recycling of styrofoam has decreased, leading to a majority of the styrofoam produced ending up in landfills. There is an opportunity to reuse 4,800 styrofoam packaging products from a single medical company network and expand to other medical company networks in Austin.

### **SOLUTION/PRODUCT**

(350 words)

[Describe your business idea that addresses the problem, how it would repurpose a [Re]Verse Pitch Material Supplier byproduct, and what makes the business viable. Include the essential value proposition. If applicable, describe your prototype with references, if needed, to your attached prototype diagram. For Growth Stage companies, describe how your [Re]Verse Pitch idea fits into or shifts your existing business model.]

The solution my mentor and I came up with were to encourage environmentally friendly practices for the greater Austin area. We would do this by collecting shipping materials from local medical clinics and selling them to local companies that need to ship cold materials at a reduced price. Re-Ship's business idea is to develop a collection and sourcing process from different medical clinics and sell the materials to food suppliers that need packing materials to ship their food.

Texas Oncology Network, through the dedication of [REDACTED] MD, would implement a collection system to enable the bi-monthly pick up of the cold shipping materials. They would store the boxes until the determined pickup date. An independent contractor would pick up the materials on the correct day and drive them to a local food supplier. Then, we would transport the materials to a local food distributor who would use the materials to ship and transport their food across the United States. Through offering reduced pricing for reused shipping products, Re-Ship can help Austin's small business grow by reducing the cost of shipping and thus, increase the visibility of local Austin brands.

Beyond the reward money from the Pitch competition, Re-Ship will require no startup funds as the sale of the product will generate any necessary funding needed for operating expense. The price money will be use to ease the growth pains of the business once we collect large volume of shipping materials. The money will be used to purchase storage units to help manage the transporting of materials from clinics to food suppliers.

Currently, Texas Oncology is willing to provide the cold shipping materials for free as long as we collect the material from their location. This enables Re-Ship to implement an ecological beneficial, self-sustainable business plan in the Austin area. To thank Texas Oncology for their commitment to sustainable business, Re-Ship will donate 10% of all profits to the Texas Oncology Foundation to help their support to cancer patients in the Austin community. Re-Ship is embodying a triple bottom line perspective by social, environmental, and financial to create greater perspective and societal change.

## **POTENTIAL RETURN/REVENUE MODEL**

(150 words)

[Explain the potential profit from this project and provide supporting data such as market size, market share and growth rate. Describe your revenue model and expected profit margin. Your answers should match the totals provided on the Pro Forma Financial Statement submitted with your application.]

Re-Ship's business model creates a viable entrepreneurship opportunity which allows for a poorly recycled resource to be repurposed for an additional shipping cycle and prevents at least one more styrofoam box from entering the environment.

Based on our assumptions, if we were to utilize all 40-50 styrofoam containers for a target of \$7/unit. This would create an estimated revenue stream of \$280-\$350 per month. Re-Ship would hire an independent contractor and pay them to collect and transport materials. After one month, working with a single clinic, we project our EBITDA to be \$249.

By expanding to all 8 clinics and other food suppliers, we project our monthly EBITDA to be \$1,959. In the next year, Re-Ship would hope to expand to more Clinic networks in the Austin and Houston area and save thousands of styrofoam coolers from being created.

## **COMPETITION**

(150 words)

[Describe your current & future competitors and any other external risks that the investment may be exposed to. Demonstrate knowledge of the landscape and your competitive advantage]

Our competition is cold shipping material suppliers. There are a few companies in this competitive industry, a few examples are Uline, Cold Chain Technologies, and Thermosafe. Re-Ship is competitive against these suppliers because we undercut suppliers' pricing for customers who place smaller orders and thus the cost of their shipping materials are greater because they do not have the privilege to buy in bulk. We effectively seize this gap in the market by providing cheaper pricing in the smaller quantities to small businesses that need with our reused shipping materials.

## **ENVIRONMENTAL IMPACT**

(150 words)

[Describe the overall environmental and zero waste impact of the operation, including whether the product design allows for the material to be diverted to its highest and best use at the end of the product's life.]

The manufacturing and disposal of styrofoam are devastating to the environment. According to The National Bureau of Standards Center for Fire Research, 57 chemical byproducts are released during the creation of styrofoam. This process not only pollutes the air but also creates toxic waste that requires proper disposal. Another cause for concern is styrofoam is that it is non-biodegradable, which causes problems when it is not properly disposed of. All coolers that end up in the landfill stay there forever, never breaking down. For each cooler Re-Ship re-purposes, one cooler is saved from being created and ending up in a landfill. Currently, it is not profitable to recycle styrofoam and any processes involved in repurposing styrofoam create harmful byproducts. This makes styrofoam a very unsustainable product and all opportunities to reduce the creation of this product should be pursued.

## **ECONOMIC IMPACT**

(150 words)

[Describe the overall impact the business would have on the Austin economy, such as the quantity and quality of jobs that the business would create and how the business would support other Austin businesses.]

Re-Ship would provide work to one Austinian through independent contracting during the early stages of the business. As Re-Ship grows its collection network of clinics, more employees would be needed to sort and transport materials. Re-Ship would also encourage the growth of local small businesses by offering them reduced pricing on products that they use to market their brand or shipping to customers. By decreasing the price of cold shipping materials, the money saved can be invested back into local businesses and further expand the Austin economy. By decreasing the cost of shipping chilled food products, Austin based businesses can send out more care packages of their food to social media influencers and customers, which in turn would drastically increase the popularity of Austin based brands.

## **THE TEAM**

(150 words)

[[Introduce your team and emphasize on what YOU bring to the table. Explain the role and responsibility of each member and any other human resources that you would need to execute the plan.]

My name is [REDACTED]. I am a student at the University of Texas at Austin and student worker at the Herb Kelleher Center for Entrepreneurship in the McCombs Business School. While working at HKC, I spoke with a multitude of clubs and resources on campus to create a roadmap of how students can use the resources that are available to them. This opportunity has allowed me to gain a thorough understanding of the Entrepreneurship ecosystem at UT. My mentor is [REDACTED]. He is a Program Manager at Google Cloud. He provides professional insight from his background in consulting and valuable connections with local Austin businesses.

## **EXECUTION PLAN/GO TO MARKET STRATEGY**

(150 words)

[Describe how you plan to pull it off. Summarize your sales, marketing, development and partnership plans. Highlight milestones planned for future.]

Currently, one clinic that is a part of Texas Oncology has already implemented a collection process of shipping materials that normally go to the landfill. We would hire an independent contractor to pick up boxes from clinics. We have communicated with a local vegan ice-cream shop, who uses shipping materials to ship their ice-cream across the United States to customers. By reusing the shipping materials, Re-Ship can reduce the cost of their shipping materials cost by 25%.

Re-Ship plans to sell all 45 boxes from the first clinic in the first month, resulting in \$315 in sales. Re-Ship would then undertake more clinics and effectively allocate their shipping materials to other Austin companies. After this success, Re-Ship would expand to other cities using Texas Oncology and other networks we have established relationships with. Re-Ship would combat this pollution problem by making medical networks rethink how they dispose of their waste.