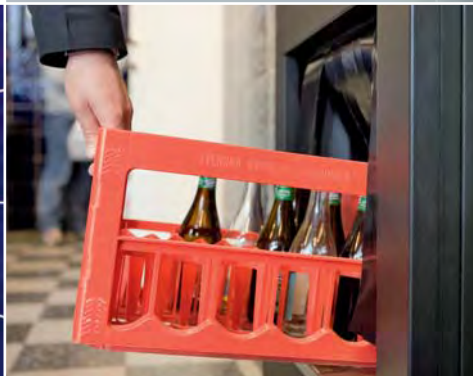


# No reversing on recycling

**Demand is huge. In Scandinavia, particularly Sweden, thousands of aging reverse vending machines will need to be replaced in the coming years. Many of them are operated by the ICA Group, Sweden's largest retailer. An agreement with ICA will give Wincor Nixdorf access to this market.**



Northern Europe has been a frontrunner in the rollout of reverse vending machines for collecting used beverage containers. Scandinavia consumers are particularly big recyclers of PET bottles and cans. Sweden, for instance, introduced a deposit on beverage containers more than 25 years ago. Reverse vending technology has been used in the country since 1970.

Sweden alone has more than 5,000 installed reverse vending machines, but many of them are old and need to be replaced. Such is the situation at ICA, which has more than 2,200 self-run or franchised stores in Sweden as well as Norway and the Baltic countries. In Sweden, the group has more than 1,300 stores under its flag, with nearly all of them equipped with a reverse vending machine.

To help meet its need for reverse vending equipment in the years ahead, ICA has turned to Wincor Nixdorf for additional support. The two companies recently signed an agreement under which stores in the ICA Group can

choose the IT solutions company to deliver and install reverse vending systems and also provide various services such as online system monitoring and background support. The agreement makes Wincor Nixdorf the second supplier of reverse vending technology to the Swedish retail company.

Although a number of ICA stores are operated as franchises, all of them purchase their systems centrally – a policy that has benefited Wincor Nixdorf in the past. The company has meanwhile installed more than 6,100 POS terminals in ICA stores. ATMs from Wincor Nixdorf can also be found in numerous ICA stores, as the group's banking division operates according to the same procurement strategy as its retail operations.

## Known for quality and reliability

For ICA executives, Wincor Nixdorf is a well-known brand recognized for quality and reliability. "The image and standing that we enjoy at ICA is a door-opener for reverse vending machines," says Gunner Melin, a

Swedish expert for reverse vending machines at Wincor Nixdorf.

Under the framework agreement, the ICA Group and its franchise partners can choose between Wincor Nixdorf and another vendor. Melin expects Wincor Nixdorf will account for around half of the business for replacements and new purchases because of ICA's interest in "reducing its dependence on a single vendor." In addition to its attractive pricing, Wincor Nixdorf was able to win over ICA with other convincing features, such as its call-up service, which is used when containers fill up with compacted cans or PET bottles, or with its new in-feed function. Another service that Wincor Nixdorf plans to offer is the option to combine maintenance tasks for reverse vending machines with those for POS and ATM systems installed at ICA, according to Melin.

## Launch at ICA Kvantum store in Sickla

The framework agreement has already led to the first stores being equipped with Wincor Nixdorf reverse vending machines, including



## ICA Group

ICA Group (ICA AB) has around 2,230 stores, which the company either owns or operates as franchises in Sweden, Norway and the Baltic states. The group, one of the leading retail companies in the Nordic region, includes the retail subsidiaries ICA Sverige, ICA Norge and Rimi Baltic. The group also offers financial services in Sweden through its ICA Banken subsidiary. ICA AB is a joint venture that is 40 percent owned by Hakon Invest AB and 60 percent by Royal Ahold NV in the Netherlands. It is part of an international retail network through ICA AB.

► [www.ica.com](http://www.ica.com)



the ICA Kvantum supermarket in Sickla, a suburb of Stockholm. It is one of the 20 largest ICA stores in Sweden.

Wincor Nixdorf has deployed four systems – two of the type Revendo 7000 and two Revendo 8000 – in the Kvantum stores. Two in each category are equipped to handle PET bottles and beverage containers as well as crates. A special feature of the installed systems is the bridge that combines the sorting

conveyors in both systems. The conveyors ensure a swift transportation of returned beverage containers and bottles to the warehouse. The Kvantum store in Sickla now operates with four instead of eight machines.

Staffan Lundberg, commercial director of the Kvantum store in Sickla, says Wincor Nixdorf was high on his wish list and feels confirmed in ICA's decision to use the vendor. Although there were some initial software issues, Wincor Nixdorf responded quickly with solutions. "My contacts were always reachable and ready to solve any problems," Lundberg says, adding that everything is now running without any problems.

### Targeting a healthy market share

Although the installed reverse vending machines are currently not integrated into the stores' overall IT systems, they could be someday. Wincor Nixdorf offers standardized, open and freely available software interfaces for integrating all its systems into existing branch IT infrastructures. The interfaces

allow, for instance, data on returned containers to be transmitted securely to POS systems; they also enable innovative applications such as central management systems.

Opportunities for Wincor Nixdorf reverse vending technology exist outside of the ICA Group as well. Around 80 percent of all installed systems in Sweden are more than eight years old. The Coop supermarket chain and Willys discount stores, for instance, are thinking about installing Wincor Nixdorf systems. Willys is a member of the Axfood Group, as is the food specialty store Hemköp, which already has installed three systems.

But a big focus is on serving ICA stores in Sweden with more than 5,000 installed reverse vending machines – with many on the replacement list. Christer Westerberg, retail division manager at Wincor Nixdorf Sweden, aims to win a huge chunk of this business. "In the long term, we're targeting a 35 percent market share," he says. And this is not an unrealistic goal considering Wincor Nixdorf's current business growth. ■