KY EXCEL
KENTUCKY EXCELLENCE IN ENVIRONMENTAL LEADERSHIP

Case Study of Heaven Hill Brands

Keys to Success

- Project Description
- Economic Value
- Challenges & Advice
- Benefits
- Stewardship Meaning

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Outside the Bardstown city limits is Heaven Hill Brands, a distillery named for William Heavenhill, a frontiersman born in 1783 and on whose land the company sits. Five Shapira brothers, along with other investors, began operating the distillery in 1934, after the repeal of Prohibition. Later, the other investors left the business, and since then, the Shapira family has led Heaven Hill to become the largest family-owned and operated producer and marketer of distilled spirits in the nation. The plant bottled over 12 million cases in 2012. Some of the bourbons produced by Heaven Hill include Elijah Craig, Larcency and Evan Williams.

A plant with this capacity can produce significant amounts of materials that could either go to a landfill or be recycled. Heaven Hill decided to try recycling as part of their KY EXCEL membership. Setting up a recycling program requires the cooperation of everyone involved, so employees were educated about the importance of recycling and protecting the environment.

Kim Harmon, the Environmental Compliance Manager at the distillery, says, "When we started our recycling program in 2011, we tried to find everything that could be recycled and vendors to take the materials. We recycle paper labels, bands around pallets, aerosol cans, brown paper packing, blue drums, label backing, cardboard, plastic and glass."

> "It's been great! Our recycling program has made us become more responsible stewards in Nelson County," says Harmon.

After each successful quarter of recycling, employees are given incentives, such as reusable insulated mugs, Heaven Hill tee shirts that say "Greening the Hill" or a catered lunch, to encourage the success of the program.

"To implement the recycling project, we spent $4,000–$5,000 on recycling supplies and an additional $3,000–$4,000 per year for proper waste disposal. We are spending $4,000–6,000 every quarter on incentives, but it is worth

it," she says. "We spent $5,000 on recycling receptacles, but their use has generated larger sums. Through recycling, we have saved $61,000 annually in landfill costs and generated $31,000 in revenue."

"Recycling was a big challenge at first––now it is part of the process," says Harmon. "In the beginning, finding support among the employees and management was hard due to resistance to change. We had an introduction to the program, training and an awareness campaign, plus, we expressed our appreciation to our employees."

Heaven Hill purchased hand trucks that were spring-loaded to move the drums of recyclables and an hydraulic pallet jack for the empty glass pallets. A recycling vendor provides gaylords and baling wire. In just seven months' time, the plant recycled 280 tons of cardboard, plastic and glass. The facility recycled 614 tons in 2012. Department managers are looking in each of their areas for ways to further reduce waste.

Cardboard is only one of the materials recycled at Heaven Hill Distilleries.

Heaven Hill's plantwide recycling program has resulted in everything having a specific place. Harmon says the program has reduced stress and uncertainty. Where trash had been thrown in millions of small boxes and shrink wrap was flowing out of containers, now there is organization. Truck traffic to the landfill has been reduced from three times a week to one. Each week, two trailers of recyclables leave the plant. When the company president saw the results of the program, he was pleasantly shocked. Harmon credits KY EXCEL, Kentucky's free environmental leadership program, with garnering support and ownership for the project. A member since 2010, Heaven Hill is one of three distilleries in the program, and it also participates in the state's Sustainable Spirits summits.

Employees are excited about the difference they are making in their workplace and homes. Due to the employees' enthusiasm in bringing recyclables from home, Heaven Hill is setting up a larger building, costing $30,000, to handle the volume of materials the employees can bring.

These tee shirts were rewards given to employees for a successful quarter.

"This has been great! Our recycling program has made us become more responsible stewards in Nelson County," says Harmon. "People are excited because some recycle everything and others are just learning, but we are changing people's lives outside the plant."

Helpful Hint: **Besides offering incentives, a key to the success of a recycling program is involving all employees in the process and encouraging them to take ownership in it.**