

Reconditioning and application of the manufacturer's initial warranty to reused products



Image source: <https://www.orak.fr/>

Reuse of carpet tiles ORAK

- **Context:** the average service life of a carpet is 7 years particularly due to the lack of maintenance and to the rotation of the occupants in the company real estate sector. This actual usage duration of use is in contrast with the warranties offered by manufacturers, which typically cover a period of 10 to 15 years. This is also due to the lack of traceability of information related to the lifetime of the carpet, providing information about the end-of-life options and its maintenance history.
- **ORAK:** company specialized in the maintenance and reconditioning of carpets used in the commercial building sector. Its offered service aim to extend the product's lifespan and facilitate its reuse.
- **The challenge:** To develop a service offer based on maintaining and promoting the reuse of installed carpets, products that are too often sent to landfills or incinerated.
- **Reclaimed material:** carpet tiles

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The origins of a new service offer



ORAK has based the development of its activity on the fact that the commercial buildings real estate sector was a large consumer of carpets (39% of carpet production is intended for use in office real estate) and that this production ended up in about two-thirds of the cases in landfills while the remaining third was incinerated.

Carpets recycling remained marginal and their reuse anecdotal even though most carpets are frequently replaced before reaching the end of the service life communicated and guaranteed by the manufacturers.

The development of a reconditioning process that makes the product suitable for use and the creation of services based on regular maintenance of the carpet should make it possible to extend the service life of carpets, encourage reuse and thus address the environmental challenges facing this sector.

A circular service offer: from dismantling to reinstallation

The Optimal Karpet service offered by ORAK: a global solution for managing carpets over their whole service life.

Orak sells its customers a comprehensive "supply, installation, maintenance, dismantling and repurchase" solution, while the "supply and installation" solution is more commonly found on the market. The weakness of the latter approach is that it leads to frequent replacements of carpet tiles because the maintenance company risks not having enough information about their usage and thus not applying a suitable level of maintenance. This would then lead to the premature ageing of the product.

Orak's innovation lies in the four ranges of services for rental or purchase, each associated with a specific period of use (3, 6 for 9 years). The carpet tiles are installed without adhesives in order to maintain their modularity and reusability. The level of maintenance is linked to usage and aims to keep the floor clean and limit needless replacement of tiles. At the end of the contract, the tiles are dismantled, and the reusable portion is repurchased. As for the non-reusable portion, it is sent to the manufacturers' factories to be recycled.

The process of controlling technical-insurance risks

1/ The reconditioning strategy proposed by ORAK

1. Setting up a transfer contract between ORAK and its customers for carpets identified as reusable.

Through this contract, ORAK engages to reuse the recovered carpets or to reclaim them through the French EPR PMCB (Extended Producer Responsibility for Products and Materials in the Building Construction sector).

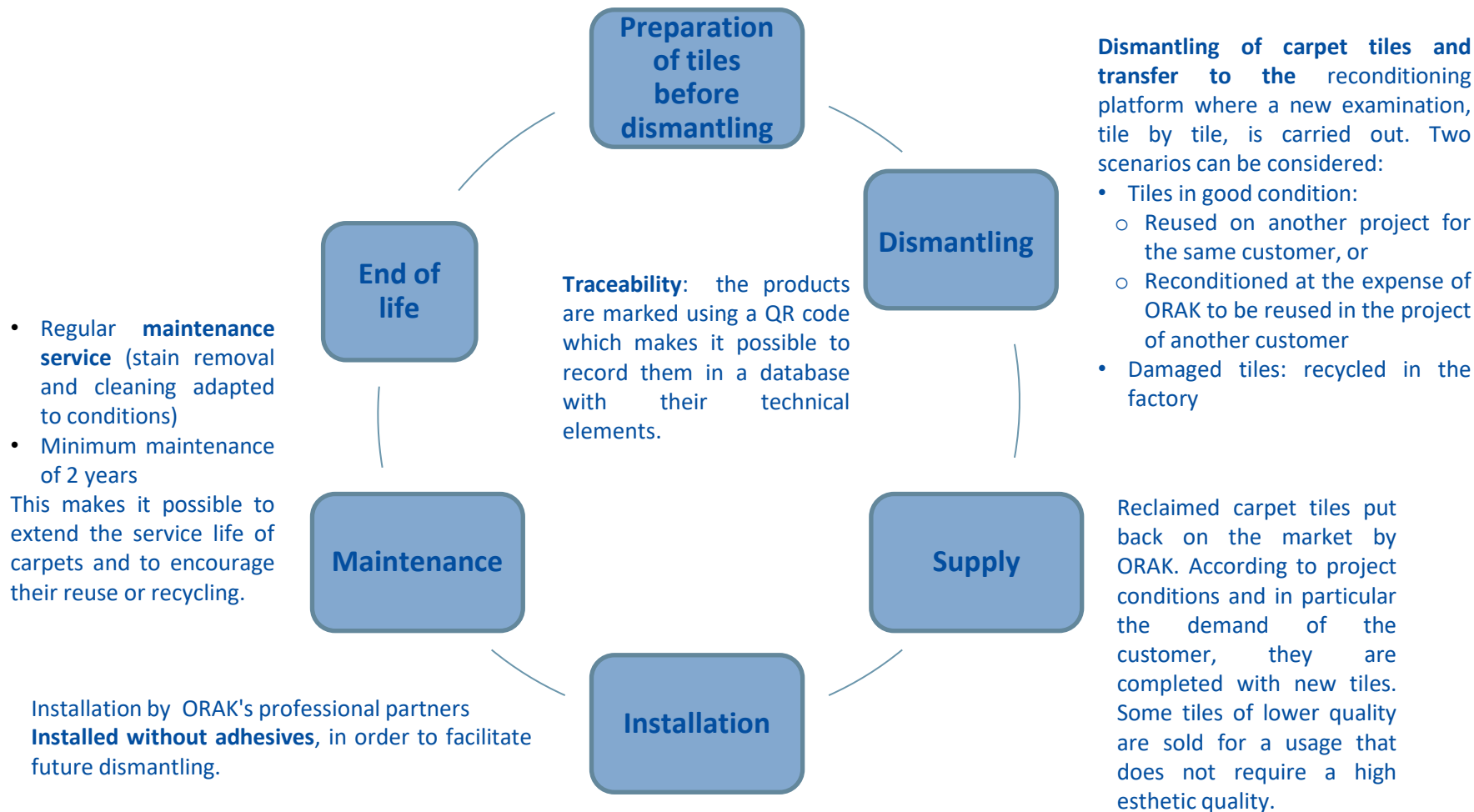
This contract consolidates the traceability process established for the carpet tiles.

2. Recovered tiles are analyzed in ORAK workshops. The fire certificate/report is renewed when the tiles are intended for establishments receiving the public (ERPs), common parts of offices and residential areas or if the customer asks for a fire report. In any case, if the product does not meet the required fire standard, it is excluded from reuse.
3. Tests related to the quality of the indoor air are also conducted.
4. A sample of the recovered carpet tiles is redeployed in order to ensure the aesthetic quality of the reconditioned carpet tiles.
5. A manufacturer's technical sheet is developed for resale purposes. Its objective is to highlight the various performance tests and demonstrate that there is no difference in quality between the reconditioned carpets and new ones. The tests are conducted with tiles of a different nature (for example, tiles with bitumen underlayer or acoustic sublayer) on both new products and products intended for reuse in the same range.
6. ORAK issues a certificate intended for the supplier (the entity that owns the used tiles that have been transferred): the certificate states the number of tiles intended for reuse and those for energy recovery. If the tiles are intended for recycling or energy recovery, the traceability of the source is under the responsibility of the eco organism Valdélia under the ERP PMCB. The manufacturer is also informed of the issuing of such a certificate.

2/ Control from dismantling to reinstallation

Visual examination of the tiles on site to ensure that dismantling can take place correctly

Cleaning of the tiles before dismantling with the goal of increasing their reuse potential



3/ The complementary role of maintenance and servicing contracts

ORAK is above all a company specialized in providing maintenance services for carpet tiles already installed in different building typologies (offices, hotels, establishments receiving the public, etc.). The entire reconditioning and reuse policy of ORAK is based on this know-how.

Before any maintenance service, ORAK visits the customer's premises to conduct a test on a specific surface during a variable duration. The examination that is established takes in account the quality and the color of the product, its installation date, the level of occupancy of the premises, the type of activity, etc. This step leads to a customised proposal for a maintenance program to decrease the frequency of replacing carpet tiles and reusing them at the end of their lifetime.

Case with Blablacar

Blablacar occupied office premises between 2015 and 2022. Maintenance and servicing for the carpet tiles was provided by ORAK starting in 2017. Once the premises were vacated by Blablacar, ORAK was able to recover the carpet tiles that they had maintained.

The reclamation rates for the tiles recovered by ORAK were higher than the average which falls within a range between 30 and 40%:

- 70% of reuse of dark carpets,
- Around 52% of reuse of light carpets.

This case proved that maintenance adapted to current use of carpet tiles, makes it possible to maximize their future reuse potential.



Image source: <https://blog.interface.com/fr/blablacar-maintenance-sols-qualite-de-vie-reemploi/>

4/ Extending the manufacturer's warranty

- Carpet tiles do not have a substantial insurance stake. As the safety of persons is not jeopardized by a defective product, the risk is limited.
- ORAK only has insurance that covers replacement of carpet tiles if their cleaning by ORAK is deemed as unsatisfactory by the customer.
- The reconditioning process developed by ORAK is recognized by various manufacturers in France (Interface, Milliken) who undertake to extend their product warranty for carpet tiles treated by ORAK. For example, a carpet manufactured by Interface, guaranteed for 15 years when new and used for 5 years, will benefit from another manufacturer's 10-year warranty if it is reconditioned by ORAK. For MILLIKEN, who guarantees their new products for 10 years, this warranty would be limited to 5 years.
- This warranty covered by manufacturers does not concern wear of the fibers. It concerns the dimensions, weight of the product and its resistance over time. The knowledge of the product acquired during the maintenance activity and during ORAK's reconditioning process make it possible to guarantee a perfect traceability of information on characteristics of the carpet tiles (maintenance and usage conditions), which limits the manufacturer's risk and justifies this warranty extension.
- If a customer demands full insurance for the carpet tiles that they are considering for reuse, ORAK can put the tiles up for sale on Cycle Up digital platform which benefits from insurance from SMABTP.

Assessment

- The reuse of carpet tiles does not represent a significant insurance concern.
- The assessment of performances of a reused carpet tile for its future use is essential, particularly if it is to be installed in establishments receiving the public (ERPs) and in the common spaces of office and residential buildings (renewal of fire certificate is required).
- Beyond these insurance aspects, ORAK's approach, based on a thorough understanding of its customers' usage, a service offering tailored to this usage, and a reconditioning process integrated into a quality-driven approach, leads to a significant increase in reuse. While the reuse rates in the building sector typically stand at 0.01%, ORAK achieves average rates ranging from 30% to 40% when carpets are used for less than 10 years. Reuse rates can even reach 70% for easily dismantled carpet tiles, used for no more than 8 years, and maintained by ORAK.
- The main product manufacturers on the market commit to extending their product warranty for carpet tiles maintained by ORAK.
- By developing a service offer based on the knowledge of carpet usage by its customers, ORAK participates in structuring the entire reuse sector.
 - The company leads clients to adopt a total costs perspective and to thus accept a comprehensive "supply, installation, maintenance, removal and repurchase" solution.
 - This demonstrates the key role that the maintenance and servicing companies have in assessing product usage quality.
 - It also leads manufacturers to convert the remaining warranty linked to their new product into a guarantee that can be applied to a reused product and to engage in a circular business model.

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