

Cycle Up

Develop an offer for reconditioned building materials and equipment that integrate a warranty equivalent to that of new ones



Image source : CSTB

- **Context:** Cycle-up developed a digital platform for the reuse of construction products and materials. It also conducts activities that provide consulting services and studies for reuse for all stakeholders in construction.
- **The challenge:** secure the largest number of reuse value chains in the building sector.
- **Reclaimed materials:** most building products. Only those that are reconditioned by Cycle Up or a recognised partner, thus providing a high level of trust, benefit from substantial levels of coverage (amounts of the indemnities and warranty duration).

Contents

The origins and development of Cycle Up

Products and materials proposed on the platform

The process of controlling technical-insurance risks

- 1/ Traceability and level of confidence
- 2/ The example with sanitary fittings
- 3/ Coverage provided by insurance

Assessment

Conclusion on good practices related to insurance

The origins and development of Cycle Up

- Founded at the end of 2017, Cycle Up has given itself the mission of saving resources in the building sector by favouring reuse.
- In March 2018, it launched its online platform that made available to stakeholders involved in the construction sector (clients, design team and construction companies) products, materials and equipment coming from renovation or deconstruction projects, worksite surplus, unsold items or trade surplus.
- Alongside this product/material offering, a comprehensive service established in the consulting and studies domain. This includes building audit missions, feasibility studies, assistance to project owner on reuse operations, material sourcing, sales support, storage and logistics, training, global studies linked to the management of material flows on an asset/territory level. This enables us to have direct contact with project owners, making it easier to locate potential sources or construction sites for potential reintegration of reclaimed products.
- Online publications on the platform have been refined, and commercial support, tailored to the requirements of project owners is sometimes offered (see figure)
 1. Direct sales: The customers themselves deposit their materials/products on the platform and manage the sales
 2. Assisted management of sales: The Cycle Up customer service supports the sale of materials (organisation of picking up materials and sales follow-up)
 3. Personalised service: additional services in order to optimise the material reclamation process (for example, in situ follow-up on the construction site).
- In 2022, Cycle Up was involved in reconditioning of certain categories of reclaimed materials (reinforcing controls, cleaning, replacing used parts).
- In July 2023, the first reconditioning workshop was inaugurated in Ile-de-France (Noisy-le-Sec).

A segmented commercial offer that is adapted to customers' needs



Source: <https://site.cycle-up.fr/accompagnement-commercial/>


Products and materials proposed on the platform

Cycle Up is a generalist platform that offers a large variety of products and materials. Although finishing products are more present on the reuse market (sanitary fittings and plumbing, heating and air conditioning, wall and floor coverings), some that are linked to structural work and even furniture, are also proposed.

Regardless of their category, these products stand out for their quality and availability, the two primary criteria that define the levels of confidence.

2533 produits

 Voir sur la carte

Tri par nouveauté 



PARIS-15E-...

**Fenêtre double -
Cadre en PVC**
271 pièces

Disponibilité estimée
Du 01/04/24 au 01/05/24

65€ HT/ pièce

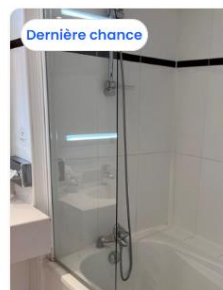


PARIS-15E-...

Portail d'entrée
1 pièce

Disponibilité estimée
Du 01/04/24 au 01/05/24

163€ HT/ pièce



CHATEAUFORT

Pare baignoire
25 pièces

Disponibilité estimée
Du 04/09/23 au 16/09/23

30€ HT/ pièce



CHATEAUFORT

W.C.
70 pièces

Disponibilité estimée
Du 04/09/23 au 16/09/23

25€ HT/ pièce
 102,89 kg eq CO2 /
pièce



Garanties Cycle Up

Plancher, robinet,
BAES... Vos matériaux
sont garantis pendant
toute une année !

En savoir plus

Source: Cycle Up platform

The process of controlling technical-insurance risks

1/ Traceability and level of confidence

In its first years, and like many newly created platforms, Cycle Up provided a simple opinion on the condition of sold products.

Currently, the advertisements placed online are divided into three categories referring to the degree of confidence on the origin and the quality of products :

1. "Level 1" advertisements concern products/materials that are directly sold or managed by Cycle Up, but that not available before several weeks or even not yet dismantled from buildings. In this situation, Cycle Up does not have any information on the quality of the these products.
2. "Level 2" announcements offer better traceability of information given that Cycle Up manages the advertisement of the products or even stores them in its warehouses. In certain cases, the advertisements come from trusted partners whose reconditioning process has been validated by Cycle-Up. Cycle-Up thus guarantees the quality of the materials. This "level 2" (with respect to a "level 3") is sometimes the result of the products/materials not being immediately available.
3. "Level 3" advertisements integrate only products/materials that are immediately available and reconditioned by Cycle Up or its trusted partners. As such, they are positioned as the equivalent of new products/materials in terms of availability and quality.

This classification confidence conditions the level of warranty provided (see slide n°7: Coverage provided by insurance).



Level 1: Manual single glazed door sold by Cycle Up but available in 2024 (Source: Cycle Up platform)

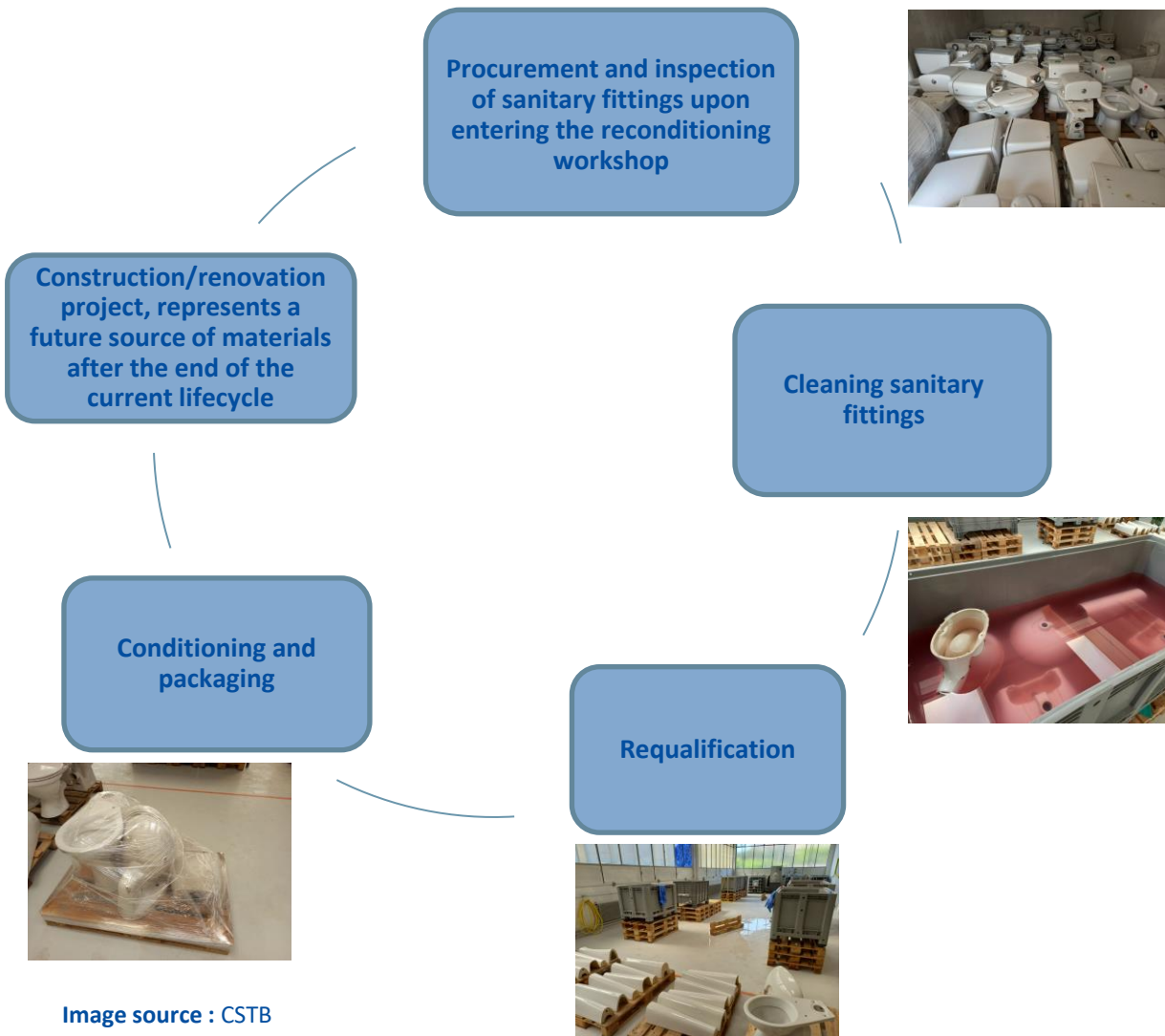


Level 2: Resilient flooring sold and reconditioned by a partner (Source: Cycle Up platform)



Level 3: False floor tiles sold by Cycle Up and reconditioned by a partner (Source: Cycle Up platform)

2/ The example with sanitary fittings



The sanitary fittings come from construction sites audited by Cycle Up or seller partners. When they arrive at the Noisy-le-Sec reconditioning platform, their conformity is examined with respect to specifications. The objective of this first assessment is to check their current state (presence of cracks, chipped enamel, a sealing defect will lead to selling the product aside or repairing it). They are then cleaned using a suitable chemical treatment. Then, at the end of the process, an inspection is carried out to guarantee the quality of the product and to ensure that its performances correspond to market expectations. If needed, worn parts are replaced. Finally, the fittings are wrapped so as to be protected when they are transported and delivered to a construction site.

The sanitary fittings that are reconditioned according to this process are sold with a level 3 of confidence. However, the destination still depends on the level of quality required for use. For example, fittings that are functional but slightly damaged (a chip for example on a washbasin) will be directed to temporary site facilities rather than residential units, where the requirement is equivalent to that of new ones.

3/ Coverage provided by insurance

In its first years, Cycle Up offered a warranty of one year on sold products, which led in case of activation to reimbursement of the product under warranty. In 2019, this commercial warranty was extended to two years.

Now, Cycle Up offers **two contractual warranty levels** for the products and materials sold on its platform. **The level of this warranty is related to the category of products/materials and their quality :**

1. **The "CYCLE SECURE" warranty** concerns the materials/products purchased via the platform except for a few major families of products (see the exclusions). It covers a period of twelve months. When it is activated, it leads to reimbursement of the material/product under warranty. In case of a claim, the declaration is to be sent to Cycle Up.
2. **The "CYCLE PROTECT" warranty** concerns level 2 and 3 materials/products purchased on the platform. For those of the level 1, the information concerning the quality of the product is insufficient to offer a higher level of warranty. It covers a period of twenty-four months. When it is implemented, it leads to the reimbursement of the material/product under warranty, while covering for damages resulting from the defect of the product. In case of a claim, the Cycle Up's insurer is contacted directly.

Exclusions: materials/products linked to structural works (except for blocks, clay bricks and cut stone), façade or waterproofing elements (except for blinds and sunshades and all cladding elements but do not constitute water or airtightness of the façade), electrical equipment or devices (except for lighting fixtures, emergency lighting units and other terminal or control devices such as sockets and switches, as well as unit equipment such as electric radiators and hot water heaters, provided that the general conformity of the installation is guaranteed by a professional) are excluded from any warranty coverage.

Assessment

- The Cycle Up platform has changed substantially from when it was created at the end of 2017 and today. Its services have expanded and its approach to reuse is now well structured. These developments illustrate the issues that many online platforms are currently facing while still looking to define their economic model.
- One of the major challenges that platforms face is to address and overcome the concerns of project owners concerning the absence of a warranty on the quality of the products/materials and the uncertainties associated to the procurement process. It is with this goal in mind that Cycle Up has segmented its offer by assigning a level of confidence to materials sold online. The highest level of confidence corresponds to reconditioned materials of high quality that are immediately available.
- The warranties offered by Cycle Up refer to the quality of the information associated to the products/materials. Products deposited by customers without benefiting from the evaluation by Cycle Up experts may be indeed of good quality, but Cycle Up cannot commit to their quality without having assessed them. Only products/materials reconditioned by Cycle Up or its partners can be assigned a high level of confidence and can lead to reimbursement of the material/product under warranty and to coverage for damage resulting from a defect of the product.
- Furthermore, the need to rely on structured supply chains has led Cycle Up to inaugurate its first reconditioning workshop last July focusing on sanitary installations. In the medium term, there are plan to recondition electrical equipment, lighting fixtures, and emergency lighting units, for which there are significant reserves and increasing demand. This reconditioning activity is driven by the desire to structure truly competitive supply chains for reconditioned materials.

Conclusion on good practices related to insurance

- Cycle Up has changed the quality of the information concerning the products and materials sold on its platform. This approach allows the offering of products/materials sold on the platform to be segmented according to a confidence scale ranging from 1 to 3.
- The levels of confidence refer back to the traceability of the information and the quality of products. Only reconditioned products that have benefited from the expertise of the reseller or of its partners, are classified as level 2 or 3 which gives access to a commercial warranty of two years.
- The quality approach set up by Cycle Up has led insurance companies to commit to reimbursement for defective materials/products and coverage for damages resulting from product defects for a maximum period of two years.
- The evolution in the professions related to this type of platform, also show that reuse in a direct flow, from a construction site to another, will remain marginal. For insurance reasons, the shift toward a reconditioning platform where professionals verify that the products/materials received meet the expected functionality seems inevitable. Furthermore, these platforms offer an important solution to the issue related to mismatched timing between supply and demand.

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