Webinar 1: Introduction to PACCT for Sustainability

6. Feb. 2024
10:30 – 12:00

Product as a service to Accelerate Cooperation and Circular Transformation
Todays’ Speakers

- **Yohann BEREZIAT**  
  Healthy Fields  
  Business Model Leader

- **Stéphane DIERICK**  
  Senior Client Manager  
  ZUORA ESG Global Team

- **Oana DUMITRACHE**  
  Business Model Leader  
  Long Distance Transportation Business Line

- **Pierre GALIO**  
  Head of Department  
  Responsible Consumption

- **François JOHNSTON**  
  Founding Associate

- **Ann-Charlotte MELLQUIST**  
  Senior researcher and Director  
  Sustainable Systems.
**HOW TO INTERACT & COMMUNICATE WITH US?**

**During the Webinar**

Please ask your questions or comments in English.

**At the end of the Webinar**

Please take 2 minutes to answer 4 questions, and help us improve your experience.

**After the Webinar**

change@pacct-sustainability.org

Follow us on LinkedIn

Re-Live our webinar on our website
Garbage, including plastic waste, is seen at the beach of Costa del Este, in Panama City, on April 19, 21 - Photo by Luis ACOSTA / AFP
Garbage, including plastic waste, is seen at the beach of Costa del Este, in Panama City, on April 19.

Photo by Luis ACOSTA / AFP

NASA's Scientific Visualization Studio, Key and Title by uploader (Eric Fisk)

Trend from 1973 to 2023 (°C)

-1.0° -0.5° -0.2° +0.2° +0.5° +1.0° +2.0° +4.0°
Garbage, including plastic waste, is seen at the beach of Costa del Este, in Panama City, on April 19.

Photo by Luis ACOSTA / AFP

NASA's Scientific Visualization Studio, Key and Title by uploader (Eric Fisk)

Stockholm University Resilience Center
3 LEVERS FOR COMPANIES
3 LEVERS FOR COMPANIES

Technological Innovation

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3 LEVERS FOR COMPANIES

Environmental Sobriety

Technological Innovation

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3 LEVERS FOR COMPANIES

Impact

Environmental Sobriety

Technological Innovation

Accessibility

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3 LEVERS FOR COMPANIES

Accessibility

Impact

Environmental
Sobriety

Business Model
Innovation

Technological
Innovation

Source: © Johnston Circular – all rights reserved - 2023
3 types of Circular Business Models

Source: OECD « Business Models for the Circular Economy » - 2019

RECYCLE – REUSE – PRODUCT AS A SERVICE
Shifting away from volume driven mindset

Developing services for end user

Leveraging cooperation

«FCE consists in providing customers with a products’ function rather than a product ownership. In other words, customers dont purchase the product itself, but the benefits of its usage. »

« FCE is a lever to accelerate environmental transition, as it enables a new economic model aimed at reducing material consumption of goods and resources. »

Source: https://www.notre-environnement.gouv.fr/themes/economie/article/l-economie-de-la-fonctionnalite-et-de-la-cooperation
Product & Volume Centric Offers

- Product-as-a-Service
- Servitization
- Usage Economy
- Pay per Use
- Product Service Systems
- Performance based business models
- Functionnal Economy
- Smart PSS
- Use-oriented Business Models

Customer & Impact Centric Offers
WHAT'S COMMON BETWEEN...?
A. These items represent less than 10% of my operating cost structure: I rely on my suppliers’ advice and expertise to deal with it

B. I absolutely need it to operate my business properly

C. They all come combined with services in a «Product as a Service» offer
## (R)EVOLUTION

<table>
<thead>
<tr>
<th>Service</th>
<th>Brands</th>
</tr>
</thead>
<tbody>
<tr>
<td>Air conditioning as a service</td>
<td>kaer</td>
</tr>
<tr>
<td>Insurance as a Service</td>
<td>YouDrive, Entrepreneurs d'Assurances, altimo</td>
</tr>
<tr>
<td>Power by the Hour</td>
<td>SAFRAN</td>
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<tr>
<td>Printer as a Service</td>
<td>RICOH, Canon, Xerox</td>
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<tr>
<td>Healthy Fields</td>
<td>BASF, Xorvio, Michelin, Bridgestone</td>
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<tr>
<td>Light as a Service</td>
<td>Future Energy, Signify</td>
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<tr>
<td>Tire as a Service</td>
<td>Hilti</td>
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<tr>
<td>Tools Fleet Management</td>
<td>TRUMPF, Kaeserkompressoren</td>
</tr>
<tr>
<td>Machine Tools as a Service</td>
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</tbody>
</table>

### SMEs go for it too:
- Upstream scope 3 of larger customers
- Company robustness and value

### Favorable Tailwind:
- IOTs (when necessary...)
- Regulation
- Customer Behaviour
# How Does It Work?

<table>
<thead>
<tr>
<th></th>
<th>You sell a result...</th>
<th>...You’re closer to your customer...</th>
<th>...with high environmental impact</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BASF</strong></td>
<td>Crop Health Invoiced €/ha.</td>
<td>Infield operations</td>
<td>-20%</td>
</tr>
<tr>
<td><strong>Michelin</strong></td>
<td>€/Km</td>
<td>Long term contracts</td>
<td>26 000 tons raw mat.</td>
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<tr>
<td><strong>Signify</strong></td>
<td>Light Uptime</td>
<td>Recurring vs transactionnal</td>
<td>Energy Savings</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Customer intimacy x 10</td>
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<td></td>
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<td>Premium vs Budget</td>
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</tbody>
</table>
This is much more than leasing!

Traditional Volumetric Business  →  Leasing  →  Pay-per-use  →  Pay-for-Result

Deconsolidated Asset
Variable Fee
(digital) Customer Experience

Source: © Johnston Circular – all rights reserved - 2023
"Product as a Service and other result-oriented" business models are identified by the European institutions as key levers for the Green Deal.

What does it mean?

The European Commission acknowledges the significant potential of these models for promoting sustainability, offering enhanced possibilities for funding in Europe.
Ecosystemic approach is a necessity to implement these models.

Adapted Capabilities:
- Change Management
- Governance
- Financing
- Data Capture & Intell
- Value Chain & Impact Management (incl. Circular)
- Customer Experience & Satisfaction

Customer & Impact Focus:
- Value & Impact Proposition
- Segmentation
- Pricing

Source: © Johnston Circular – all rights reserved - 2023
Product as a service to Accelerate Cooperation and Circular Transformation
Our Purpose

Accelerate the **sustainable transformation of our economy** through the development of innovative business models aiming at replacing volume and product centric offers by customer and impact centric services.

Our Ambition

Create and animate the referent **European community** of companies, public institutions, banking corporations and research institutes sharing the same purpose.

Our Commitments

Provide our participants with access to structured and **unique knowledge** to fuel their innovation and explorations of new offers and business models.

Create **connections** between participants to accelerate knowledge sharing and mutual support.

**Promote** our ideas at a national and European level.
Declaration of intent

Our purpose is to bring together individuals and companies with a shared interest in product-as-a-service and other circular use and result-oriented service models. We form a community, under the name of “PACCT for sustainability”. PACCT stands for: Product as a service to Accelerate Cooperation and Circular Transformation. We are eager to explore and implement the business models and offers based on performance of use, consideration of our externalities and cooperation dynamics. Our shared ambition is to foster innovation and knowledge sharing for positive impact within our organisations and beyond. Together, we aspire to accelerate change towards a more responsible future.

Commitments

I want to explore product-as-a-service and other circular use and result-oriented service models in order to transform the environmental and social impact of the business.

I want to encourage my teams to take part in the exploration and innovation associated with these business models and dedicate time and resources for such exploration.

I want to ensure transparency in the sharing of my experience and to guarantee the confidentiality of informations within the community.
They’re making PACCT possible!

Oana DUMITRACHE  
Business Model Leader  
Long Distance Transportation Business Line

François JOHNSTON  
Founding Associate

Pierre GALIO  
Head of Department  
Responsible Consumption

Stéphane DIERICK  
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Yohann BEREZIAT  
Healthy Fields  
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**United Kingdom**

Iain MCKECHNIE
Director of Strategic Partnerships.
Advanced Services Group, Aston Business School

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**Sweden**

Olli KUISMANEN
Doctoral Researcher
Tampere University & Consultant

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**France**

Boris DESCOMBES
Doctoral Researcher
Grenoble INP – UGA

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**Switzerland**

Dimitris KARAMITSOS
Senior energy efficiency business developer specialist and team lead
BASE

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**Switzerland**

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BASE
IN 2030...

Usership is the New Norm

The circularity index has gone up again

The European Commission has voted a « PACCT Act » to accelerate the Green Deal
Great Interactive Sessions:

- Lively discussion academic / business
- Knowledge sharing
- Interactive session

White paper

A collective work targeting the European institutions

Source: © Johnston Circular – all rights reserved - 2023
Objective
Share best practice and ideas on a specific pain point.

Process
• 3 sessions of 1h each throughout the year
• Facilitated by the PACCT team

Registration
• 5 participants max in a workgroup
• 3 seats remaining to join Michelin and Xarvio
• You want to join this group ? Contact us at change@pacct-sustainability.org !

How to onboard my Executive Committee on the PaaS Project, and convince my CEO ?
NEWS

A data base around PaaS
(studies, articles, webinars…)

PROGRAM

Registration for our future webinars.
Replay & presentation of our past webinars
Join us in 2024!
Q&A Interaction: Use the Chat Button
Register now for our next webinar 19th of March

Governance & operations

A deep-dive in governance challenges, value extraction, and the difficult co-existence of linear and circular business models, guided by academics and business experts!

To be part of the PACT for Sustainability community, you must validate our charter below.

I agree to the charter

Send
HOW TO REACH US?

Our website
Replay & presentation in the “Program” section

Our LinkedIn page

Our emails
change@pacct-sustainability.org

gurvan.guennec@pacct-sustainability.org

françois.johnston@pacct-sustainability.org
It will only take 2 minutes!

Thank you!