Key factors of starting up and developing reuse centres
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Abstract
Background and purpose of this article is to develop a holistic model of key factors that constitute the framework of starting-up and developing reuse centres. The centres' mission is reuse of products that would otherwise end up as waste and inclusion of disadvantaged people back into the labour market. Initially, article explains the concept of social entrepreneurship and social enterprises and furthermore, analyses specifics of reuse centres as a part of social enterprises. In the central part, article analyses particular models of reuse centres establishment and development. Based on the specifics of reuse organisations as a part of social enterprises and on the identified advantages and weaknesses of already existing models provided is the holistic model of key factors that essentially contribute and influence companies in reuse industry. Article concludes with providing potentials of developed models with directions for operationalization and further research.

Key words: social entrepreneurship, reuse centres, model, key factors, disadvantaged persons, waste

INTRODUCTION
In the business environment, the concept of social entrepreneurship is fast developing part of the whole economy. It is caused by several factors on different levels (e.g. individual, company, national), among which in the literature could be find (Santos, 2009; Maretich and Bolton, 2010; AGMA, 2013): needs for inclusion of disadvantaged groups of people, individuals personal traits and objectives, push and pull factors from the environment, company’s objectives etc. Consequently, new business models emerge that have the potential to alter the ways in which we think about our role within economic systems. Among them is also a concept of reuse, which is an important part in social movement that aims for ethical, responsible and sustainable consumption.

Companies that are a part of social economy are operating in different industries and serving several groups of customers. Reuse centres are a part of social economy because they are responding on business environment new challenges such as long-term unemployment, climate change, sustained development and social responsibility (Phillips, 2003; WBCSD, 2002). Reuse of already used products offers a possibility to implement business ideas and establish successful companies operating in this industry. At doing this, it is important to be aware of and consider several key factors that significantly contribute to success of companies in this industry. The main question therefore is which those factors that influence companies in reuse industry are.

The aim of this article is to develop a sustainable model of key factors that constitute the framework of starting-up and developing companies in reuse industry. With the purpose of developing model of social entrepreneurship, we limited our research to social enterprises that are operating in the field of the reuse industry. These enterprises are reuse centres, which presents a new perspective of waste, collecting waste in the centre and reusing it as raw material for a new product, thus representing an important contribution to environmental and natural resource protection. On the other hand, reuse centres also represent a model of social entrepreneurship that employs disadvantaged persons. This type of organisation also triggers and contributes to the development of a new market by offering new products.

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and services in the field of reuse as well as new employment and local development options (Anastasiadis and Mayr, 2008).

In our research, we are focusing on social enterprise models, which are operating in the reuse business. The paper is structured as follows. First, the concept of social entrepreneurship and social enterprises is explained. Second, specifics of reuse centres as a part of social enterprises are analysed. Third, analysed are particular models of reuse centres establishment and development. Fourth, based on the specifics of reuse centres as a part of social enterprises and on the identified advantages and weaknesses of already existing models provided is the holistic model of key factors that essentially contribute and influence companies in reuse industry. In conclusions, provided are potentials of developed models with directions for operationalization and further research.

REUSE CENTRES AS A PART OF SOCIAL ENTREPRENEURSHIP

Social entrepreneurship has become a global phenomenon, as it establishes innovative approaches to solving social and environmental problems and strives towards improvement and benefits for the entire society. It is based on socially driven aims and emphasises the importance of social values, socially useful activities that are not profit oriented as it is the classical type of entrepreneurship. The idea has evolved within the scope of entrepreneurship but unfortunately it has been only in the last few decades widely studied in the literature (e.g. Alvord et al. 2004; Dees 1998; Drayton 2002; Mair and Marti 2006; Peredo and McLean 2006; Zahra et al. 2009).

As the framework of social entrepreneurship is still evolving, there is still no generally accepted definition of a social enterprise, the key distinguishing characteristics of such enterprises are their social and societal purpose combined with an entrepreneurial spirit from the private sector. Social enterprises devote their activities and reinvest their surpluses to achieving a wider social or community objective either in their members' interest or for a wider audience and are positioned between the traditional private and public sectors (AGMA 2013, p. 8).

Social enterprises currently face significant challenges to their financial sustainability. These challenges include external factors such as public spending reductions, a general shift from a ‘grant based sector’ to tender-type processes and increased competition within a more open market. Internal factors include an overreliance on public sector grants and funding, lack of business planning, marketing and capacity. Social enterprises need to present themselves in a more commercial way. They are often very good at describing their services and transmitting their passion; however, greater clarity is required on what services are being offered, what these can do to meet a client’s needs and at what cost (AGMA 2013). Maretich and Bolton (2010, pp. 21-37) have developed four supporting approaches for social enterprises, which help develop and mature social enterprises:

1.) Develop individual social entrepreneurs and/or social enterprise teams capable of delivering services and products that result in significant social benefit.

2.) Focus on helping charities and other not-for-profits develop revenue-generating activities to enable them to become more financially sustainable and better able to achieve social impact.

3.) Provide a range of support mechanisms targeting the specific organisational needs of the investees, helping social enterprises move towards greater social impact and financial sustainability.

4.) Work to promote awareness and understanding of social enterprise practice and create a conductive environment for it.

Different social enterprises are playing an important role in the reuse industry. Reuse is not only a common practice but also figures prominently in high-level initiatives on sustainable development. Non-profit participation in the area of reuse has been the cornerstone of its development over the years. The income, generated by collection of various goods that are fit for reuse and repair, creates and sustains jobs for people at risk such as long-term unemployed, disabled and young people. Moreover, reuse also offers essential household items for people with low incomes. Reuse is the practice of using an item more than
once, thus extending its life as a functional item and is based on a principle that what for one is not useable anymore is reusable for someone else. Reuse, in contrast to recycling, does not break items down to their root elements in order to re-manufacture them into new materials. Rather, reuse extends the useful life of whole items by diverting them from the waste stream (Lane 2013, p. 10).

Reuse centres are social enterprises, operating in the field of waste reduction and employment of disadvantaged persons (ORZ 2008). When studying the operation of reuse centres, we must take into consideration three aspects: economic, social and environmental. Due to increasing consumerism, the amount of waste is growing, in particular useful bulky waste such as furniture, sports equipment, household appliances, electrical and electronic equipment (EEE), clothing, books, etc. which, in accordance with the new Directive 2008/98/EC, may not be deposited at landfills (Official Journal of EU L 312, p. 10).

Reuse is an activity that must be regulated in order to develop in a sustainable fashion, to prevent sham reuse and promote consumer confidence. Only organisations operating at sufficiently high standards should be considered eligible to undertake refurbishment and reuse activities and to be given access to waste electrical and electronic equipment (WEEE). With reuse centres, this waste can be renewed with innovative services, repaired and converted into a state fit for reuse. Thus, the renewed products are ready to be resold to new users at a symbolic price, which achieves a redirection of waste flow back into use and thus an extension of the life expectancy of products. On the other hand, reuse centres create green jobs that enable the employment of disadvantage persons (Anastasiadis and Mayr 2008).

Nevertheless, reuse as an economic activity is not fully recognised, and there is a lack of consensus on how it should be practised and regulated.

MODELS OF SOCIAL ENTREPRENEURSHIP APPLICABLE IN REUSE INDUSTRY

In the literature, there can be found several different models and approaches to social entrepreneurship, based mainly on various cases with solving social and environmental issues (e.g. Leadbeater 1997; Mair and Marti 2006; Zahra et al. 2009; Seelos and Mair 2005). However, in the literature are hard to find models of social entrepreneurship considering special characteristics of reuse business. Most of the established non-profit enterprises that are operating in the reuse business have the option to receive state subsidies in a direct or indirect way. Analysis reveals that the sector seems to be comparatively heterogeneous on the European level. The many different types of businesses and business fields along with different corporate structures and employees contribute to the high variety of the sector (Arold and Korning 2007, p. 91). Therefore, we are originating from two models, which are in the business practice well established and successful, namely (1) De Kringwinkel model and the (2) Rehab Recycle model.

First one, the De Kringwinkel model, is a national franchise of social enterprises - reuse centres that has established a single brand and a single marketing strategy to engage public support and create confidence in their various products (e.g. furniture, electrical and electronic equipment, textiles, books, toys, compact discs, etc.). The second model is the Rehab Recycle model. Rehab Recycle is a non-profit organisation specialising in a single area of reuse of information technology (IT) equipment (base units, laptops, LCD screens) and reuse of WEEE that is becoming a market leader in this area. Both models have in common that they are receiving government support because they are integrating disadvantaged people back into the labour market.

De Kringwinkel Model

The De Kringwinkel is a non-profit organisation, structured as a large network of more than 100 second hand shops in Belgium. It is a federation of high quality, well-designed and well-laid out shops selling used goods. The network collects, sorts and resells discarded products both to stimulate the reuse of goods and to create job opportunities for people in need. In De Kringwinkel, organisations operate 33 reuse centres with their own legal status, 108 shops and 8 WEEE refurbishment centres for electrical and electronic equipment, which cover the entire Flemish region. Their mission is to contribute proactively to the realisation of the sector’s goals: the reuse of goods in order to extend their lifetime and reduce the burden of waste on the environment, and the provision of employment to low-skilled and long-term
unemployed. All goods are donated and are collected by De Kringwinkels’ members based on telephone calls. WEEE is collected from three sources: household collection (70%), reuse centres (15%) and municipalities (15%). The shops process all sort of items including textiles. In 2010, the turnover of the shops amounted to €28.5 million. Approximately 3.6 million customers visited the De Kringwinkel shops, buying mainly furniture, clothes, household tools, books, CDs and toys, electrical and electronic household appliances, etc. Approximately 52% of De Kringwinkel organisations’ income is from shop sales; the remainder comes from local and national government support for the employment of disadvantaged people, other grants and contracts (ESFN 2011, pp. 4-6).

The De Kringwinkel model has credited the following three aspects with its commercial success (O’Connell and Fitzpatrick 2013, p. 23):

- The branding system of the shops; “De Kringwinkel” is a recognised brand throughout Belgium. It aims to distinguish these shops by guaranteeing them a common logo, organisation and presentation;
- An initiative called “Revisie”, a quality label for electronic appliances; 73% of the WEEE – reuse centres have been accredited use the “Revisie” label, the aim of which is to offer safe and reliable second-hand electric appliances;
- The incorporation of the European Foundation for Quality (EFQM) model is designed to help organisations in their drive towards being more competitive.

Regardless of sector, size, structure or maturity, organisations need to establish appropriate management systems in order to be successful; 55% of the De Kringwinkel reuse network has currently employed this model.

One of the major constrains experienced by the De Kringwinkel model is the unpredictability in the supply of the right mix of appliances for such a large franchise reuse network. To be cost effective, there is a minimum amount of throughput necessary to maintain viability. Access to sufficient volumes of used equipment at good quality is imperative for survival of the reuse industry. Another disadvantage of this model is bureaucratic governance, which is slow to adapt new trends or demands in the reuse sector.

Rehab Recycle Model

The second model is Rehab Recycle model in Ireland. Rehab Recycle is a non-profit organisation that operates in the field of reuse of IT equipment and WEEE. It employs 300 people, over 50% of whom are people with disabilities. Its objectives include creating conditions for the reuse of EEE to flourish and maximize the economic, social and environmental benefits of this industry for Ireland. Working on a non-profit basis, it hopes to stimulate a sustainable level of refurbishment and remarketing that creates refurbishment and retail jobs, make low-cost equipment available to people on low-incomes and reduce waste. Primary delivered services are collection of WEEE and IT equipment with potential for reuse, refurbishment of WEEE and IT equipment and resale of reused equipment. Quality of the reused products is crucial to create demand and to instil confidence in customers (Annual Report 2012, p. 29).

Rehab Recycle is Ireland’s largest IT refurrisher, dedicated to delivering high quality, person-centred services that enable people to enhance the quality of their life. Rehab Recycle is an accredited Microsoft Authorised Refurbisher, the programme which was developed for large-scale refurbishers that average a minimum volume of 5000 PCs refurbished monthly, enabling it to supply refurbished computers and servers preinstalled with genuine Microsoft software to businesses, consumers and non-profit organisations.

Refurbishment of IT products conducted by Rehab Recycle is fully operational and conducted to known industry best standards with PAS 141 certification, which provides a framework for those involved in reuse to help minimise the impact of EEE on the environment and to assure consumers that refurbished products are fit for purpose both in terms of safety and function. Data from Rehab Recycle showed strong reuse potential for the three main IT areas: base units (64%), laptops (58%) and LCDs screens (87%). Figures represented a significant yearly flow of equipment through Rehab Recycle and demonstrated the strong platform developed for business-to-business (B2B) IT refurbishment within Ireland. Furthermore,
a Rehab Recycle example shows that preparing a tonne of B2B IT equipment for reuse employed 11 times more people than would recycling an equivalent amount of material. Reuse therefore generated 15 times more revenue than would recycling of the equivalent quantity in the same period (O’Connell and Fitzpatrick 2013, pp. 23-39).

Acquisition of IT products is gained exclusively from the B2B market, which means contracts with manufacturers and other IT commercial organisations, government departments, local authorities and other large corporations. WEEE is collected from retailers in cooperation with the compliance scheme, at civic amenities (CA), on special collection days and from kerbside collection.

The key to success of the Rehab Recycle model is employment of specialists from the for-profit oriented business world and of professional IT staff hired to create quality service and products. The model relies heavily on large contracts and partnerships with commercial organisations. The downside to the Rehab model is that it has no dedicated retail outlets for its stock such as, for instance, the De Kringwinkel model, and relies on third parties such as broker, trade and non-profit charitable organisations for its sales.

DEVELOPMENT OF COMPREHENSIVE SOCIAL ENTREPRENEURSHIP MODEL FOR REUSE INDUSTRY

Based on the analysis of two models of social entrepreneurship that are operating in the field of reuse, we recognised several strengths and weaknesses, which mainly rise from their one-sided approach and model. For an optimisation of the model of social entrepreneurship in the field of a reuse centre, we need to be familiar with the key factors of establishment and operating such an organisation. The meaning and content of individual factors may differ from model to model, as well as in the connections between them, so it is necessary to form a specific model with regards to special properties of key factors in establishment of a particular social enterprise, in our case, a reuse centre.

The analysis of presented models from business practice allows us to define five key social entrepreneurship factors for establishment and operation of a reuse centre as follows:

– suitable institutional and legal framework for reuse centres that employ disadvantaged people;
– existing demand for products or services of reuse centres;
– supply of the right material to reuse centres and partnership with commercial companies;
– networking and common marketing of reuse centres;
– aid from a local community for the establishment and operation of a reuse centre.

All of them compose the proposed framework of social entrepreneurship model for reuse industry. Each of sufficient factors is analysed and explained below.

Institutional and legal framework

In accordance with the new Directive 2008/98 /EC, reuse is the second most favourable option in the waste hierarchy (Official Journal of EU L 312, p. 10). Primarily, the heavily regulated market for electrical and electronic appliances is likely to witness a further development of its legal framework conditions and stipulations in the European Union. Quotas for collection and reuse of waste will increase, and directives for the disposal will increase and become stricter.

Apart from environmental aspects and corresponding legal framework conditions, subsidization plays an important role for social enterprises operating in the reuse business. Currently, it is difficult to predict how individual countries will manage to uphold this approach to financing. It may be assumed that enterprises will also play an important role in the reuse sector of the future, as the social aspect is a crucial part of the companies’ philosophies. This is true for collection of goods and donations, the distribution of necessary products to “the poor”, the option to support integration and to provide jobs for people experiencing difficulty with reintegrating into the primary labour market (Heike et al. 2007, p. 57).

The establishment and development of organisation with main social aims, values and strategies, that is social enterprise, operating in the reuse industry, is always outlined with the institutional framework of the national economy that set up the conditions under which such an organisation can operate.

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Supply of the right products to reuse centres and partnership with commercial companies

Successful reuse enterprises identified “access to equipment” as a key enabling factor for reuse. A legal framework conditions today do not optimally support reuse organisations in accessing sufficient volumes of EEE for preparation for reuse (Kissling 2011). Reuse trials conducted by Rehab Recycle for business to consumers (B2C) household appliances demonstrated the potential for reuse that may exist within their current recovery streams. WEEE is collected from retailers in cooperation with the compliance scheme, at civic amenities (CA), on special collection days and from kerbside collection (O’Connell and Fitzpatrick 2013, p. 49).

Acquisition of IT products is gained exclusively from the B2B market (some donated, but mostly purchased), which means contracts with manufacturers and organisations such as Dell, Microsoft, HP, Lenovo, Fujitsu, IBM, government departments, local authorities and other large corporations. As with the Rehab Recycle model, the proposed reuse organisation should also operate for the B2B reuse market, providing a service to business customers such as data protection.

The De Kringwinkel model is different in terms of supply of the reuse material compared to the Rehab Recycle model. All goods are donated and are collected by De Kringwinkels’ members based on telephone calls. WEEE is collected from three sources: household collection (70%), reuse centres (15%) and municipalities (15%). We can also see strong cooperation with their national compliance scheme in the De Kringwinkel model (ESFN 2011, pp. 5-9).

Therefore, main factors that influence the supply of suitable products in reuse industry are (1) strong cooperation with other companies (B2B), and (2) cooperation with local compliance scheme.

Related to recent study (O’Connel and Fitzpatrick; 2013) is cooperation of reuse organisations with B2B significant in terms of acquisition of reused IT equipment. On the other hand, acquisition of other WEEE (B2C) is dominated by large compliance schemes, which act as approved bodies for producers in fulfilling their obligations for the environmentally sound management of WEEE. A reuse organisation would work as a means for these compliance schemes to meet reuse obligations that may arise, providing services such as:

- collection of WEEE with potential for reuse;
- distribution of WEEE with potential for reuse to approved refurbishment centres;
- approval of refurbishment centres;
- reporting of reuse quantities.

Consumer Demand for Reuse Products / Services

A very important role in ensuring the economical continuity of a social enterprise, thus ensuring continued activity, is held by the income from the sale of products/services. In practice, this means that social enterprises must acquire a significant share of their income from sales of products and/or services (DTI 2002, p. 55). We believe that a more challenging economic situation will increase the demand for social enterprise services, with those enterprises finding donation and similar resource acquisition more challenging (Austin et al. 2006, p. 197). Thus, the sale of products/services is becoming an ever more important aspect of ensuring economic continuity. In particular, this is the case in the field of product reuse activities, where new and innovative approaches to reused product sales are present. Consumers sometimes exhibit a negative attitude towards used products; however, change is ever more evident in their shopping habits and preferences. Consumers are ever more likely to pick products that suit their ethics and have an ecological aspect to them. Many people simply cannot afford classy and expensive clothes or furniture. This group of potential customers might encompass students, seasonal workers, immigrants, refugees or other disadvantaged people.

There is a need to move towards professionalization in the reuse business as seen in the Rehab Recycle and De Kringwinkel models, especially in presentation of the goods, quality of the goods, the business concept, and the standardization of the business processes as well as strategic planning and networking. Reuse centres and their outlet shops must present themselves in a modern way in order to promote their
offer and sales of goods. Customers expect the same “shopping experience” they are used to in other shops. Attractively designed stores that are clearly different when compared to “workshop sales” and/or a “flea market” ambiance are better accepted by the customers.

Consumer attitudes and acceptance towards different reused products varies. A survey conducted by Flash Eurobaurometer gauged EU citizens’ perceptions, attitudes and practices concerning resource efficiency, waste management and recycling. A thousand sources were used for each country within the EU 27 (Flash EB 2011, p. 4).

Based on the above, we argue that there must be assured conditions for the demand for products and services from the reuse centres to allow them to be established. Thus, for income from sales to be ensured, the following are required:

1. Existence of preferences of potential customers to purchase used products/services of reuse centres
2. Existence of a target group with an expressed preference to purchase used products/services from reuse centres.

**Networking of Suppliers of Reuse Centres**

The cooperation between social enterprises operating in the reuse business is important for the sustainability of the enterprises. The enterprises need to network and cooperate with other actors to join their forces and to perform as credible business partners in a tough competition. Networking with other enterprises can save money, especially in smaller enterprises, and bring out new ideas about business models. Research from the second-hand sector analysis says that Finland stresses the importance of networking inside the country but also globally through associations as a key for the development of reuse centres (Heike et al. 2007, p. 58).

Networking of different suppliers providing reuse activity is vitally important for the success of individual reuse centres. In general, a networking reuse centre seems to exert a positive influence on the development of possible qualification approaches, as the De Kringwinkel model shows. Stryjan and Laurellii (2008, p. 15) emphasise the need to network of 26 cooperatives at the national level in Sweden. The network ensures counselling, various information for social companies, promotion, etc. Arolld (2007, pp. 5-6) mentions the following advantages of networks: provision of sector-specific and technically specific information (e.g., informative fliers, newsletters), encouragement of opinion and perspective exchange, support in establishing special cooperation (e.g., in the field of sales and marketing), representation of companies in public (e.g., by a common logo), and the development of group quality standards as well as support and counselling in legal and organisational matters.

Authors Arolld and Kornig (2007, pp. 48-50) define various tasks of network management (depending on the network objectives):

- introduction of companies (members),
- ensuring equal quality standards for companies (members),
- organisation of training for employees,
- encouragement of experience exchange,
- organisation of special product sales-related events,
- ensuring quality management,
- development of common business structures for companies (members) and
- organisation of activities related to marketing and promotion of products.

From the above, we are able develop two conditions that must be met to network reuse centres:

1. The suppliers of reuse centres are ready to set up a network under one brand for the successful operation of reuse centres.
2. The suppliers of reuse centres have a common mission, which is “reuse of products” and “employment of disadvantaged persons”.

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Local Community as a Key Factor in Establishment and Operation of Reuse Centres

Informing a local community of the importance of and need for the development of social entrepreneurship in the case of reuse centres is important for several reasons, among which the following must be emphasised (Noya 2009, p. 182–184):

- Development of social entrepreneurship depends on the support of a local community in terms of financing infrastructural projects, which is important for the development of social entrepreneurship such as reuse centres.
- A local community plays an important role in providing encouragement, important for the development of social entrepreneurship and in the case of reuse centres. Public support and positive encouragement can help develop social entrepreneurship in the case of reuse centres.
- The local population is a direct user of reuse centres. The population of a local community is employed in a reuse centre. They can donate used equipment, purchase used equipment or take part in reuse centre activities as volunteers.

The awareness of the local population about the importance of reuse centres is very important, as they thus encourage the activity and localisation of jobs. A reuse centre operates in a local environment, where it enables the employment of the local population and the maintenance of old, handcraft professions. Research from the project PERSE\(^3\) (Nyssens 2006, p. 317) has shown that, furthermore, more in-depth research is required concerning the roles of various participants in social entrepreneurship. The mentioned research also sees the various participants in the roles of board members; however, further analysis is required as to the ways of participation and roles of various participants in social entrepreneurship, which informally contribute to the development of social entrepreneurship.

The role of a local community is also defined in the Social Entrepreneurship Act (Official Journal of RS 20/2011, p. 2673), anticipating an active participation of municipalities in the establishment of social entrepreneurship. However, this role is not clearly defined, so an in-depth analysis of the role of a local community in the establishment of a social enterprise is required for, in our case, a reuse centre. Thus, we suggest that one way a municipality can help in the establishment and functioning of a reuse centre is to ensure a suitable space for its operation. This may be done through use of unsettled areas that are municipal property, providing them rent-free or for a symbolic amount to a reuse centre. Such a practice appears abroad and makes a local community (both the municipality and the communal services) essential for the functioning of a reuse centre.

In both presented models, the local community plays an important role in the establishment and operation of reuse centres. In Belgium, the local community is an important factor because it supports De Kringwinkel with subsidies for disadvantaged people. In Ireland, the local community supports Rehab Recycle to ensure a processing facility for reuse business.

We can thus define two key conditions of a local community for the development of reuse centres:

1. A positive attitude towards the establishment of reuse centres.
2. Support for establishment and operation of reuse centres.

In Figure 1 provided is our proposed comprehensive and holistic model of five key factors that essentially contribute and influence companies in reuse industry:

1. Existence of a suitable institutional and legal framework;
2. Supply of the right products to reuse centres and partnership with commercial companies;
3. Demand for used products as a key factor to ensure continued reuse activity;
4. Networking of reuse centres and a common presence in the market with a common brand;

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\(^3\) PERSE is an acronym for “Performance socio-économique des entreprises sociales d'insertion par le travail”, a project carried out between 2001 and 2005 in EU Member States. The contribution of the project was measuring the social economic efficiency of social enterprises in the field of work integration.
5. Assistance of the local community, in particular in the area of ensuring an appropriate infrastructure for the operation of reuse centres.

![Diagram of the Comprehensive Social Entrepreneurship Model for Reuse Industry](image)

**Figure 1: Comprehensive social entrepreneurship model for reuse industry**

To understand better how each key factor operates, the conditions that need to be met for individual factors are also shown (Figure 1). The supply factor of the right products to reuse centres has two
significant conditions: contracts with commercial companies (business to business) and strong cooperation with the local compliance scheme. The demand factor in reuse centres includes two key conditions, namely a preference for purchase in reuse centres and which target group of consumers is ready to buy the products/services of reuse centres. In Figure 1 shows that the factor of networking of reuse centres includes the following conditions: common vision and mission and common brand. Holistic model also includes the factor of the local community, which plays an important role in reuse centre establishment and operation. Important conditions for the local community factor to function are a positive attitude of a local community towards the establishment of a reuse centre and financing of infrastructure (e.g., physical space for a reuse centre). The fifth factor, institutional and legal framework, has an important role, not only in the environmental part (waste directive) but also in the social entrepreneurship part, in ensuring grants for disadvantaged people.

CONCLUSION
The aim of this article was to develop a sustainable model of key factors that constitute the framework of starting-up and developing companies in reuse industry. We recognize that reuse of already used products offers a possibility to implement business ideas and establish successful companies operating in this industry. At doing this, it is important to be aware of and consider several key factors that significantly contribute to success of companies in this industry. Analysis of two models of social entrepreneurship that are operating in the field of reuse (De Kringwinkel and Rehab Recycle) and analysis of specifics of reuse centres as a part of social enterprises allowed us to define five key social entrepreneurship factors for establishment and operation of a reuse centre as follows:

1. Existence of a suitable institutional and legal framework;
2. Supply of the right products to reuse centres and partnership with commercial companies;
3. Demand for used products as a key factor to ensure continued reuse activity;
4. Networking of reuse centres and a common presence in the market with a common brand;
5. Assistance of the local community, in particular in the area of ensuring an appropriate infrastructure for the operation of reuse centres.

All of defined factors compose the proposed framework of social entrepreneurship model for reuse industry, which enables further research in social entrepreneurship and reuse theory. More in depth research of each presented key factor is needed, especially research of relations between compliance schemes and reuse centres. We recognised that acquisition of WEEE (B2C) is dominated by large compliance schemes. A reuse organisation would work as a means for these compliance schemes to meet reuse obligations that may arise, providing services such as collection of WEEE with potential for reuse, distribution of WEEE with potential for reuse to approved refurbishment centres, approval of refurbishment centres and reporting of reuse quantities.

Article also provides suggestions for future development of presented models from business practise. We recognize that one of the major constrains experienced by the De Kringwinkel model is the unpredictability in the supply of the right mix of appliances for such a large franchise reuse network. Potential for De Kringwinkel is to start developing market of the reuse of IT equipment. De Kringwinkel can learn from Rehab Recycle in terms of professionalization of the processes, entering into B2B market and cooperation with commercial companies, in order to get access to the products. There would be an opportunity to sell refurbished reused IT products through already existing and well established outlets. At the moment the downside to the Rehab model is that it has no dedicated retail outlets for its stock such as, for instance, the De Kringwinkel model, and relies on third parties such as broker, trade and non-profit charitable organisations for its sales. Potential for Rehab Recycle is to develop its own retail outlet and establish a recognisable brand, like De Kringwinkel.
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