

# **Recycling 101: Status, Markets and Trends**

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# What you'll learn today

**Recycling's current status**

**A general look at recycling market conditions**

**Nine critical trends**

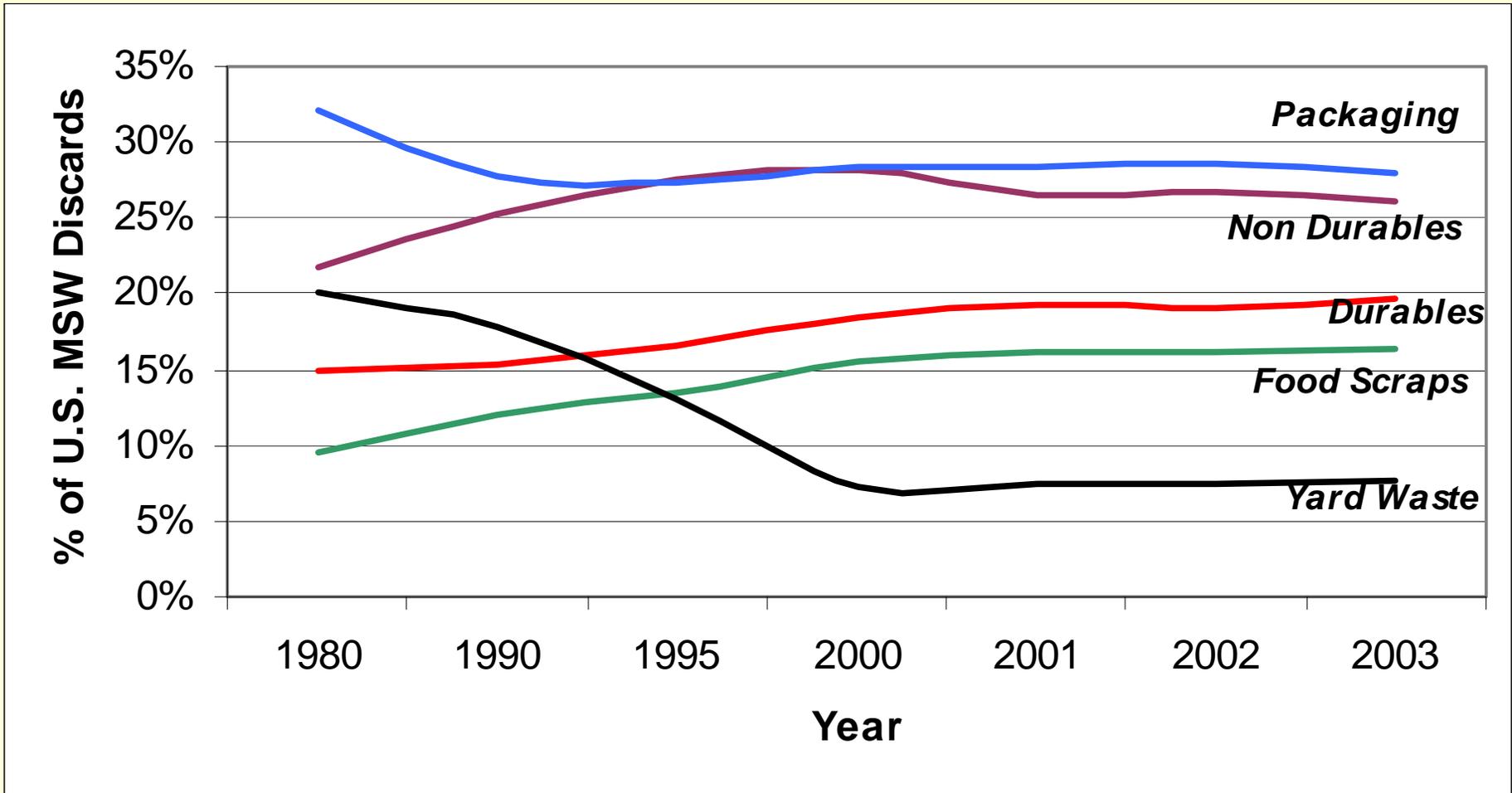
# You might hear that:

**“Recycling isn’t a significant waste management strategy.”**

**“Recycling will never work in our community.”**

**“Recycling wastes more energy than it saves.”**

# Trends in U.S. MSW Discards (as a % of total discards)



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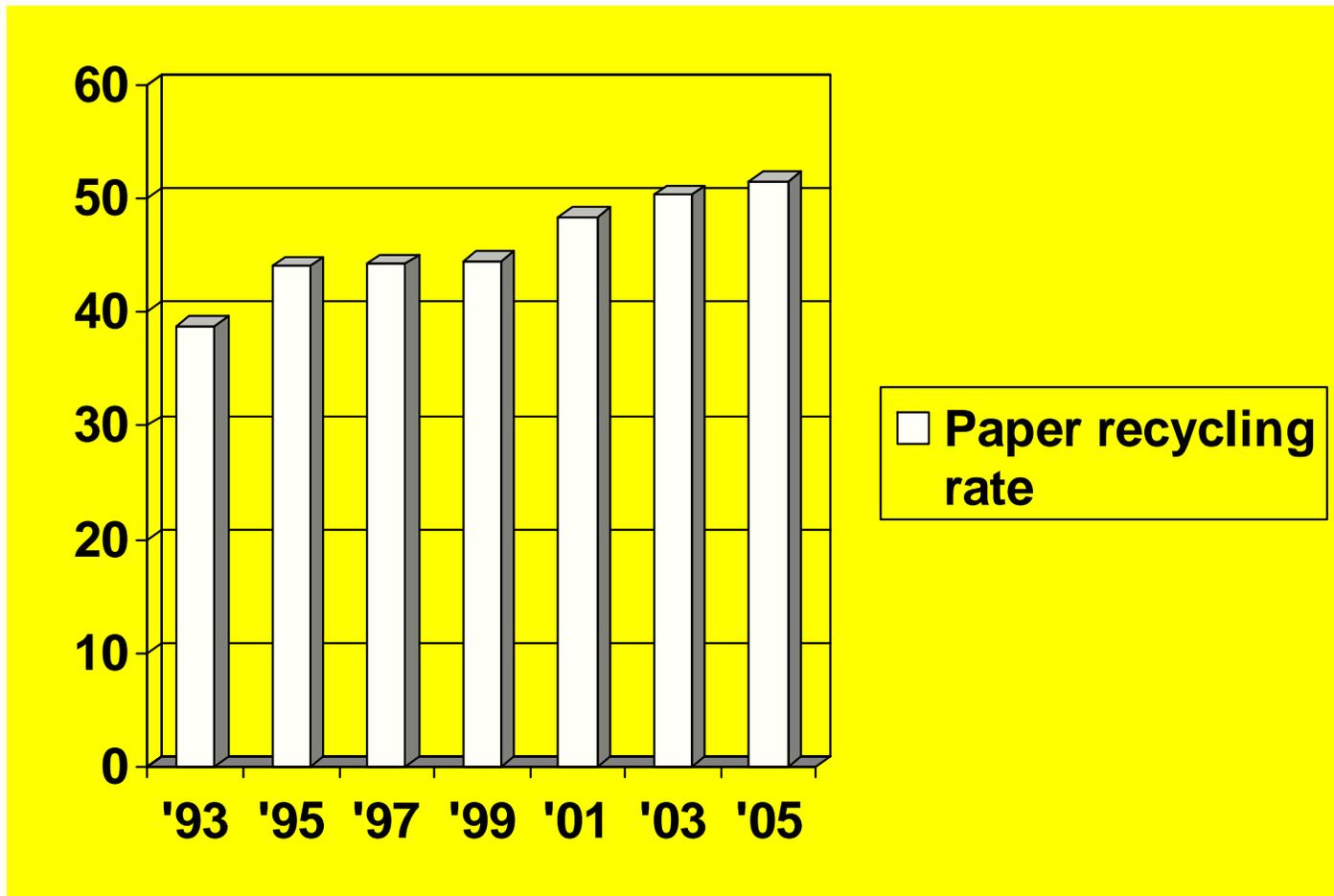
# You may also hear that:

**“Large amounts of collected materials end up being landfilled.”**

**“Industry doesn’t want secondary materials.”**

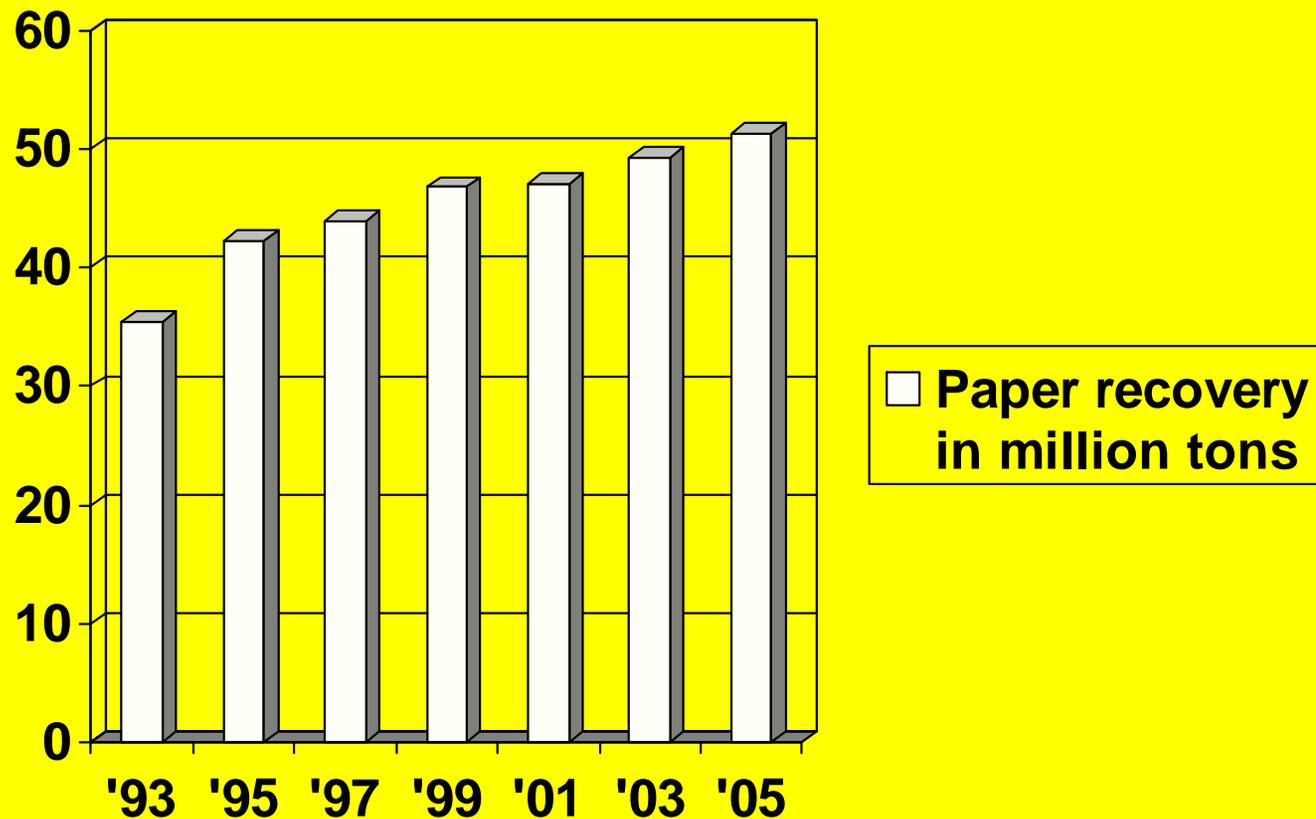
**“Recycling demand is insufficient.”**

# Recycling rates are growing



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# Recycling volumes also are rising



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# And you might hear that:

**“Little is happening on the legislative front.”**

**“Recycling issues no longer resonate.”**

**“I fear programs will be gutted.”**

# **That's not true, as stability now reigns**

**Fewer wide swings in recycling prices**

**An increase – not a decline – in collections**

**Lots of talk – but no action – in  
Washington**

**Little landfill pressure regionally and  
national**

# On the horizon: Less market volatility

**New consolidations and mergers in the U.S. recycling industry will produce an additional reduction in market instability and volatility. You can expect fewer sharp peaks and valleys in prices.**

# On the horizon: Rising collections

**Today's test: What do the  
following communities  
have in common?**

# What do these communities share?

- Jacksonville, AL
- Talladega, AL
- Carlisle, AR
- Nogales, AZ
- Tucson, AZ
- Blythe, CA
- Fresno County, CA
- Los Angeles, CA
- Oakland, CA
- Palmdale, CA
- Rio Dell, CA
- Sacramento, CA
- San Diego, CA
- San Francisco, CA
- San Jose, CA
- San Leandro, CA
- Santa Cruz, CA
- Stockton, CA

# What do these communities share?

- Sutter, CA
- Weed, CA
- Yuba, CA
- Aspen, CO
- Denver, CO
- Durango, CO
- Fort Collins, CO
- Loveland, CO
- Groton, CT
- Roswell, GA
- Honolulu, HI
- Des Moines, IA
- Keokuk, IA
- Crest Hill, IL
- Manteo, IL
- Peotone, IL
- Springfield, IL
- Trenton, IL

# What do these communities share?

- Urbana, IL
- Fort Wayne, IN
- Syracuse, IN
- Tell City, IN
- Bel Aire, KS
- Butler County, KS
- Conway, KS
- Manhattan, KS
- Henderson, KY
- Slidell, LA
- Barnstable, MA
- Bourne, MA
- Townsend, MA
- Frederick Co., MD
- Hagerstown, MD
- Rising Sun, MD
- Oakland, MD
- Saginaw, MI

# What do these communities share?

- Shelbourne Co. MN
- Kansas City, MO
- O'Fallon, MO
- Jackson, MS
- Kernersville, NC
- Mecklenburg Co. NC
- Orange County, NC
- Winston-Salem, NC
- Omaha, NE
- Concord, NH
- Nashua, NH
- Portsmouth, NH
- Raymond, NH
- Albuquerque, NM
- Bernalillo Co., NM
- Broome County, NY
- New York, NY
- Akron, OH

# What do these communities share?

- Tiffin, OH
- Beaverton, OR
- Eugene, OR
- Hood River, OR
- La Grande, OR
- Madras, OR
- Portland, OR
- Gloucester, RI
- Little Compton, RI
- Portsmouth, RI
- Richmond, RI
- Warren, RI
- Woonsocket, RI
- Aberdeen, SD
- Memphis, TN
- Nashville, TN
- Dallas, TX
- El Paso, TX

# What do these communities share?

- Plano, TX
- Sherman, TX
- Waxahachie, TX
- Bluffton, UT
- Lehi, UT
- Murray, UT
- Ogden, UT
- Salt Lake City, UT
- Alexandria, VA
- Franklin, VA
- Loudon County, VA
- Norfolk, VA
- Carnation, WA
- Federal Way, WA
- Kirkland, WA
- Seattle, WA
- Snohomish Co. WA
- Winnebago Co. WI

# **On the horizon: Talk in Washington but little else**

**While multi-state recycling initiatives show promise, do not count on Washington lawmakers to provide leadership in materials recovery and waste reduction.**

# **On the horizon: Less talk about the “landfill crisis”**

**Recycling and composting  
provide many major benefits,  
but saving landfill capacity is  
not as important as originally  
thought.**

# Market assessment

**I'll look a few key factors in  
the recycling of the  
principal materials**

# Glass containers

- O The main market remains making new bottles**
- O But there are barriers:**
  - few glass bottle makers in some regions**
  - generally requires clean color-sorted glass**

# Glass containers

- O Thus, growing interest in alternative uses, such as:**
  - fiberglass insulation**
  - roadbed aggregate**
  - tile and kitchen-top panels**
  - art products**
- O Little scrap glass is exported**

# Plastics

- O Nearly all plastic recycling markets require plastics to be sorted by type**
- O Numerous new recycled plastic products have been developed, such as plastic lumber decking**

# Plastics

- O American processors also have access to a large export market**
- O More beverage container plastics are being used in making new bottles, with recycled plastic milk jugs coming to the market soon**

# Metals

- O Metal recovery is one of recycling's major successes**
- O Recovered steel, aluminum and other metals are sought by numerous domestic and foreign mills**

# Paper

- O As with metals, more than half of the paper used in the U.S. is recovered for recycling**
- O Current market standards allow for the sale of more and more mixed paper**

# Paper

- O However, as I will discuss later, the growth in paper recycling in this country has not been fueled by new investment**
- O Only one new sizable paper recycling mill has been built this decade in the U.S.**

# Paper

- O In other words, paper recycling's growth in the U.S. in the past 15 years or so is due to the huge surge in export demand, especially to Asia.**

# Trends

**I'll close with the description of nine trends that I believe will drive the domestic materials recovery field in the coming years.**

# Trend No. 1: Toxics

**Nasty things are taking precedence over heavy things.**

## **Trend No. 2: Stewardship**

**Product stewardship initiatives will prevail in the last half of this decade in the U.S.**

## Trend No. 3: Food

**Food scraps are one of the major opportunities for communities to reduce waste flows.**

## **Trend No. 4: Convenience**

**American consumers and businesses have shown they'll do more in recycling if you make it more convenient.**

## Trend No. 5: Safety

**The evidence shows we are not doing enough to make recycling jobs safer. As a result, regulatory pressure will increase.**

## Trend No. 6: Energy

**The rising costs of oil will both aid and harm recycling. Our current practices will change dramatically.**

# **Trend No. 7: Deindustrialization**

**Pre-consumer recycling will decline due to our declining industrial base, and U.S. recycling consumption will continue to slump.**

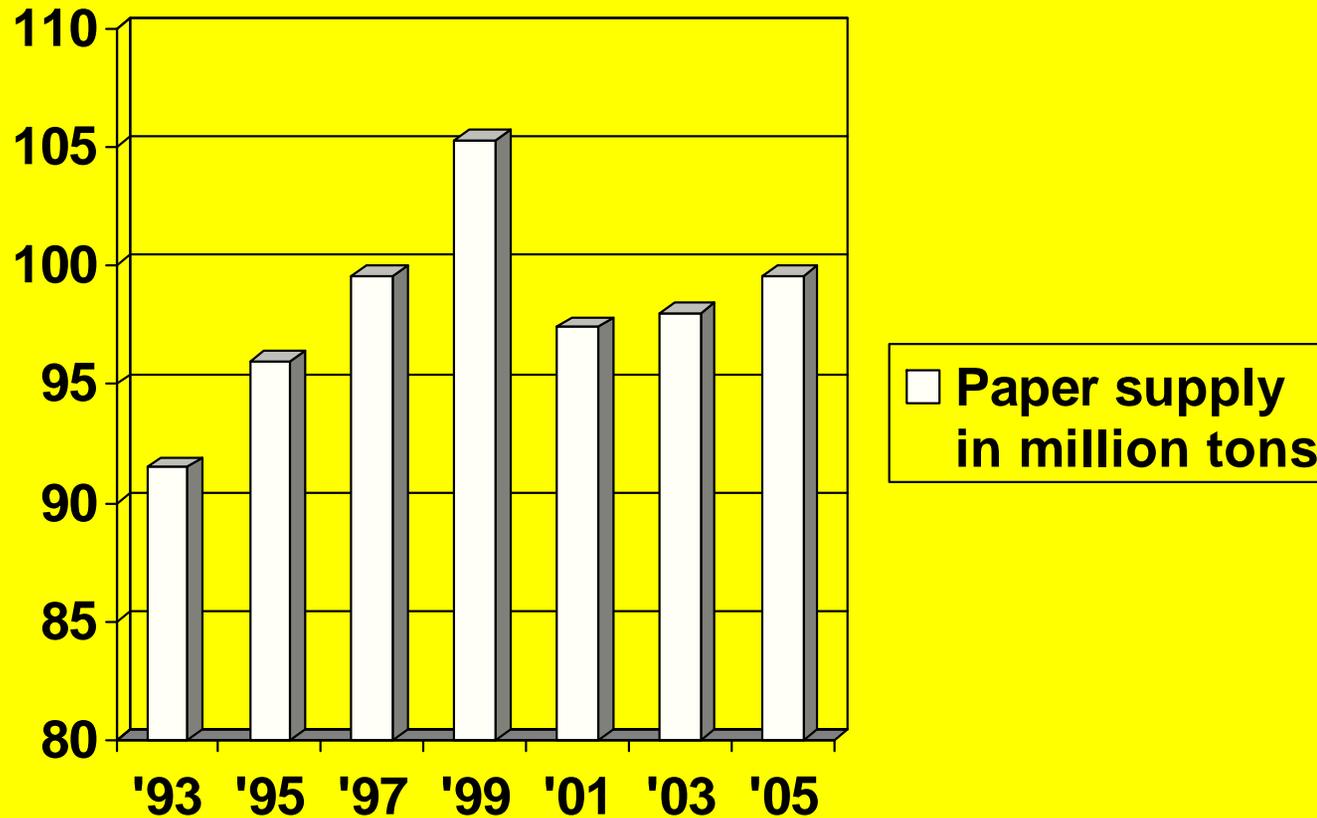
# The sad case: paper

**Recycled paperboard: down 14 percent in capacity this decade**

**Newsprint peaked in 2000, now down 23 percent for the decade**

**Industry capacity to decline 0.5 percent in 2006-8**

# The paper industry is hurting

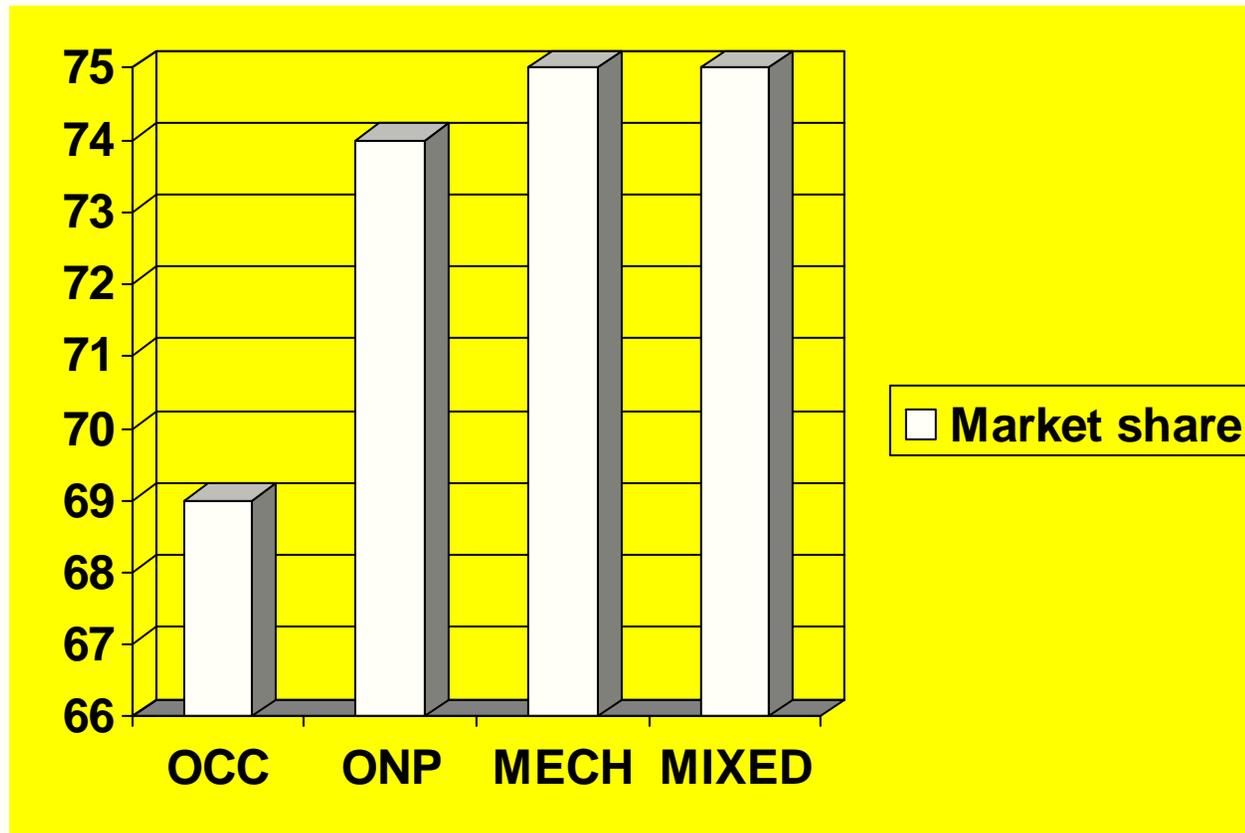


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## Trend No. 8: China

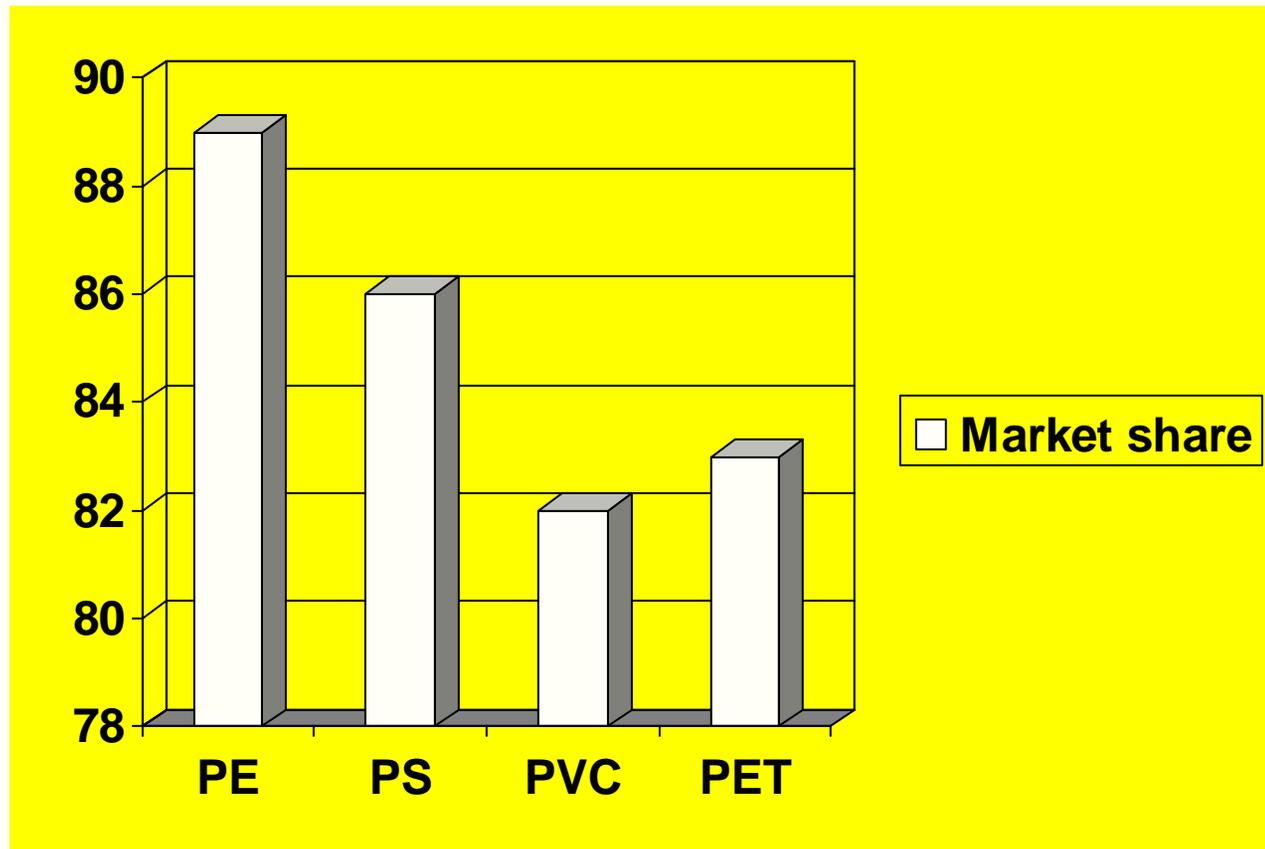
**Seismic recycling market changes are underway. But a question remains: Will they be viable in the future?**

# China's remarkable export market share



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# China's remarkable export market share



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## Trend No. 9: Reframing

**Efforts will be made in the next few years to rekindle the public's interest in materials recovery.**

**Drop me a line**

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