



LEADING INNOVATION

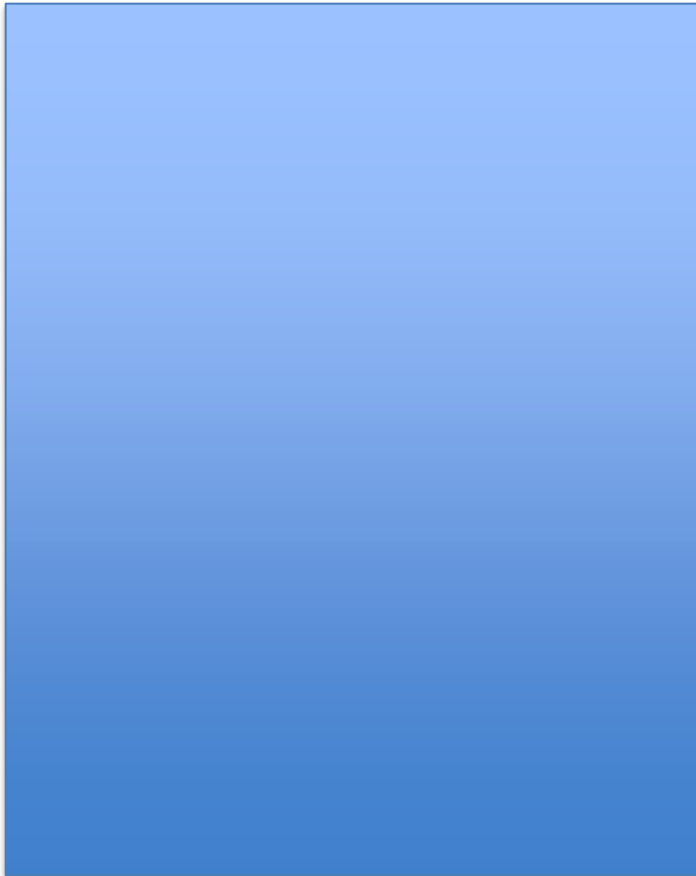


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Walter Alcorn

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Solid Waste Associations Solid Waste/Recycling
Conference & Trade Show
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Consumer Electronics Association (CEA)®

Consumer Electronics Association

- Represents more than 2,000 companies in the U.S. consumer electronics industry
- Membership includes component suppliers, device manufacturers, retailers, distributors and service providers
- Owner and producer of International CES – the Global Stage for Innovation

The Consumer Electronics Industry's Role in Recycling

- More than 2 billion pounds of electronics responsibly recycled by our industry since 2010
 - CE spending on recycling: >\$100 million/year
 - 660 million lbs. recycled in 2014
 - Most of the 2.5 billion lbs. recycled are CRT displays
- More than 8,000 collection sites across the U.S. for consumer to recycle responsibly (see GreenerGadgets.org)

History of US EPR Mandates

- Guinea pig #1: rechargeable batteries
 - 5 state laws/1990s era. RBRC/Call2Recycle.
- Guinea pig #2: thermostats
- Guinea pig #3: consumer electronics
 - Now 25 different state laws
 - California ARF
 - 24 cost internalization states
 - No new states since CEA-supported Utah bill in 2012

U.S. EPR History (cont'd)

- CE EPR Laws: The Great Experiment!
- What was promised by these laws?
 1. Relieve recycling burden on local governments
 2. EPR will get more stuff recycled
 3. Internalize externalities into sales of new CE
 4. Incentivize DFE/DFR
- We can review these at a later time....

New York Law and Upstate Implementation: the Short Story

- Hundreds of millions of pounds of used electronics recycled since 2011
- Rapid expansion of collection opportunities during early years of the program
- Unhappy manufacturers spending lots of \$
- Crash of CRT recycling market (2012/13)
- Dislocation and upheaval in local collection and recycling markets

Points from the Past

From my slides here May 4, 2011

- For all companies environmental compliance costs are to be minimized
 - A cost of doing business
 - Do not generate revenue
 - Usually are not integrated into a company's overall business model

....and typical operational arrangements...

- Direct manufacturer/recycler arrangement
 - Usually made with larger recyclers that operate across states

What's Going On?

- Statute includes much B2B electronics
 - Completely different economics than post-consumer
 - Some manufacturers have maximized B2B collections to hit their target
 - In 2011 only 36.4% of weight were TVs!
 - 30% were computer peripherals, 15% computers
 - In 2012 42.7% were TVs
 - 30.5% computer peripherals, 14% computers
- Including B2B in the program skews resources away from where it is needed

Collection Location Review

- Current law calls for collections in every municipality of 10,000+
 - 328 Municipalities Total
 - 270/328 Municipalities Have Free Collection Sites for CRTs (problem product)
 - 58/328 Municipalities Do Not Have Free Collection Sites for CRTs
 - Average distance outside municipality is <5 miles
- Close, but about 15% of non-NYC population lacks collection opportunities called for in the law

Possible Solutions?

- Close the gap of 15% as shown in the collection coverage analysis
 - Program could be about 10-15 million lbs. short in the current consumer target, although collection is usually just a few miles outside the jurisdiction
 - Change law to get B2B out of the program?
 - B2B electronics are not the problem
 - Use change as a way to “juice” the target for manufacturers to recycle B2C electronics (i.e., the CRT-dominated stream)
 - Change law to focus on the one big problem product for recyclers: CRTs?
- Muddle through

What Next for EPR Policy?

- May be at a crossroads for mandatory EPR
 - He who pays the piper carries the tune?
 - Across the CE industry, support for “traditional” electronics EPR laws has waned
 - No obvious alternative has emerged
- New policy focus on high priority products that really need help to be recycled?
- Stay tuned!

Thank you!

For More Information....



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