Mission Statement
The mission of CARE is to facilitate the carpet industry-led initiative to find market-driven solutions to the diversion of post-consumer carpet from landfills, to meet the time sensitive goals of the Memorandum of Understanding (MOU) for Carpet Stewardship.

Vision
To bring value to the emerging post-consumer carpet recycling industry through reuse, recycling into carpet and non-carpet products, and other diversion technologies

Core Values
Facilitate Market Driven Solutions
Conserve resources
Foster entrepreneurship
Prioritize opportunities in accordance with the value pyramid
Maintain an open process
Establish and foster a collaborative environment
Ensure multi-stakeholder involvement
Operate with the highest integrity
CARPET AMERICA RECOVERY EFFORT

Developing market-based solutions for the recycling and reuse of post-consumer carpet

Corporate Sustaining Partners

Sustainability Leadership

Interface FLOR®

The Mohawk Group greenworks

Shaw N6 Evergreen Nylon Recycling

Green Leadership

J&J / INVISION
# Table of Contents

- Mission Statement .....................................................................................................1
- Corporate Sustaining Partners ..................................................................................2
- CARE Members .........................................................................................................4
- Message from the Board Chairman, CARE ...............................................................5
- Message from the Executive Director, CARE ...........................................................7
- Executive Summary ..................................................................................................8
- Topline Survey Results ...............................................................................................9
- Key Results for CARE in 2008 ..................................................................................10
- Detailed Report .......................................................................................................13
- Qualitative Feedback From Carpet Recovery Survey ..............................................25
- Conclusion ...............................................................................................................26
- Survey Methodology ...............................................................................................27
- Assessment of Survey Approach and Results .........................................................29
- CARE Outreach Results 2008 ..................................................................................31
- Web Traffic & Carpet Industry Initiatives .................................................................33
- Appendix .................................................................................................................43
- Board of Directors .................................................................................................48
The Carpet America Recovery Effort (CARE) thanks its membership for their continued support, without which we would not be able to operate, nor fulfill our mission to divert carpet from the landfill.

**CARE Members**

- Applied Thermoplastics Recycling
- Aquafil USA
- Atlas Mills
- Beaulieu Group
- Blue Ridge Industries
- Carpet & Rug Institute
- CarpetCycle
- Colorado Reclamation Systems
- Consolidated Carpet
- Corporate Floors
- Dalton-Whitfield Regional Solid Waste
- Dynamic Commercial Flooring
- Environmental Recovery and Consolidation Services
- Granutech-Saturn
- Hilton Hotels Corp.
- Interface
- INVISTA
- J&J/Invision
- J-G Carpet & Drapery Co. Inc.
- KeLa Energy
- Kruse Carpet Recycling
- L.B. Carpet
- Leigh Fibers
- Lippert Tile Co
- Los Angeles Fiber
- LVR Carpet Center Inc.
- Mannington Mills
- Masland Commercial Carpet
- Modular Carpet Recycling
- Mohawk Group
- Nycon
- Polymer Center of Excellence
- Pyroflex LLC
- Resource Commercial Flooring
- Riden Enterprises
- Roya Manufacturing & Supply Canada Inc.
- Royalty Carpet Mills
- Shaw Industries Group
- Sikorski Marketing
- Smurfit-Stone Container
- SquareCare
- StarNet Commercial
- Tai Ping Carpets America
- Textile Rubber & Chemical Company
- United Sports Surfacing of America
- Universal Fibers
- Universal Flooring Systems
- Untha Shredding Technology America, Inc.
- Vecoplan
- XL Adhesives
Message from Chairman of the Board

Dear CARE Members,

Welcome to the 7th annual CARE conference. I am extremely pleased to also welcome our new Executive Director, Georgina Sikorski. I encourage all of you to get to know her and you will quickly understand why the CARE Board of Directors is so excited to have her as Executive Director. Georgina comes to us with an extensive background in the soft floor covering industry and marketing. Her background and understanding of the mission and issues of CARE lets her hit the ground running.

The economic conditions in 2008 were bleak at best and 2009 doesn’t look any better. These economic conditions had significant impacts on the recycling of carpet and the overall diversion of carpet from landfills. On a global scale, market demand for feedstock materials and consumer spending continues to nag the industry. The continued and persistent slowdown of the housing market and automotive market has been especially troublesome. Despite all these issues, the diversion of post-consumer carpet from the landfill remained positive. Even though we did not achieve growth in 2008, we did not suffer the significant decline some feared.

There is no question the business of carpet collection and processing is changing to meet the new challenges being presented by the economic realities we are facing. The collectors are looking for every opportunity to diversify their businesses. All indications are that the collection infrastructure is changing and will look different in the future. With this said it is also clear there is no one model that will work for everyone. On a positive note the sustainability movement is alive and well and will continue to drive our efforts.

The decision of CARE to focus on the plastics industry was the right move. We especially thank the team that developed the plastics specification/grading system, under the leadership of Dennis Hayford. Identifying and classifying specific streams, through a grading system, facilitates the procurement of feedstock materials from the carpet recycling industry. This will assist our members in finding outlets for all types of post-consumer carpet. Our next challenge is understanding the needs of compounders and injection molders in order to create demand for plastics derived from post-consumer carpet. This grading system will allow those who process post-consumer carpet to have a positive dialogue with compounders.

We have completed the transformation into a membership organization. If you are a member of CARE, thank you for your support. If you are not yet a member, please go to www.carpetrecovery.org to join.

We continue to update our website and organization to provide added benefits to members. The member-only area of the website includes marketing materials, membership directories with contact information and educational resources. The additional benefits extended to members are voting rights, committee involvement, members only functions and discounted meeting fees.

While 2008 has been a challenge for all those associated with CARE, I am encouraged about the future of CARE and its members. Shaw’s Evergreen facility continues to process a significant amount of nylon 6 carpet and Mohawk’s GreenWorks is continuing to
evolve and should be well positioned once the economy turns around. The Interface partnership with Universal fiber is expanding their selection of N66 fiber, containing post-consumer content fiber colors. Reliance’s new 100% post-consumer content double stick pad is doing very well in the hospitality market. There continues to be increased interest in using post-consumer carpet as a fuel source.

There is a vast amount of information to share at this 7th Annual CARE Conference and we have built in time for people to absorb the content and network. We will again highlight a CARE Person of the Year, the Recycler of the Year and present the EPA/CARE award for Innovation in Carpet Recycling. Meeting sponsorship is critical to the ability of CARE to host a successful conference. I can’t say enough about this year’s conference sponsors. They continue to make it possible for CARE to host an annual conference. A special thanks to all of them.

I want to single out Jeremy Stroop for his exceptional efforts keeping CARE on target during this really difficult year. The success of this conference, the excellent annual report and the accomplishment of the multitude of day to day projects is a true tribute to Jeremy’s hard work and dedication – if you have a chance, thank him and give him a pat on the back for his extraordinary efforts and dedication. Of course anyone who has anything to do with CARE knows Linda Harrington. Linda’s administrative skills make CARE run. We can’t thank her enough. James Beach along with a new addition of Bethany Richmond provides CARE with tireless support in the area of communication.

As always I sincerely thank my fellow Board members for their tireless efforts. Without their dedication, finding market-based solutions to land fill diversion of post-consumer carpet would not be possible.

While we are not where we hoped we would be at this time in the life of CARE, I remain extremely optimistic and excited about the future of CARE; we are on the right track to succeed.

Sincerely,

Frank Hurd
Chairman, CARE
Dear Fellow CARE Members,

I am excited and honored to be your new Executive Director. I step into this role at a challenging time for CARE due to the uncertainty in the market. However, I am encouraged because we have a strong foundation on which to build, grow, and improve the health of our members.

For those of you who do not know me, I have been affiliated with the CARE organization since 2005, when I joined the CARE Board of Directors. Over the past 12 months, I worked with the CARE Board and staff on strategic programs, including its Annual Report and Conference, Mid-Course Correction Strategies and outreach programs. I look forward to meeting each of you over the next year, to learn how to make this great organization stronger and more effective.

Since its inception in 2002, the CARE organization has diverted over 1.3 Billion pounds of carpet from the landfill, of which 1.2 Billion pounds was recycled into other value-added products. This is an accomplishment of which we should all be proud. It represents strong commitment to the mission of CARE, and hard work by our membership. Our membership has shown tenacity and innovation as it made progress-progress that resulted in new jobs and tax revenues for local communities, and a lower environmental impact on the world around us.

Now as we enter into the 7th year together, we are faced with even more challenges. But with these challenges come opportunities to improve the health of our Entrepreneur network, to create market demand for products with post-consumer carpet content, and to continue our work with federal, state and local governments to support the mission of CARE.

As your Executive Director, I am committed to accomplishing the 2009 Key Strategic Objectives that we outlined with your Board of Directors, including:

- Achieve sustainable funding for the CARE organization in 2009
- Increase the demand and market opportunity for post-consumer carpet
- Strengthen the leadership position of CARE

Please contact me at gsikorski@carpetrecovery.org to share your ideas on how we can grow and prosper. If you are currently a member of CARE, we thank you for your support. If you want to make a sustainable difference, please join us in this effort by going to www.carpetrecovery.org to become a member of CARE.

Sincerely,

Georgina W. Sikorski
Executive Director, CARE
Executive Summary

In 2008, the reported recycling and diversion of post-consumer carpet decreased slightly from that reported in 2007. A total of 292.4 million pounds of post-consumer carpet was diverted from landfill in 2008, with 243.4 million pounds being recycled. Compared to 2007, this represents a 0.8 percent decrease in diversion and an 11.5 percent decrease in recycling.

Although the level of diversion of carpet decreased in 2008 versus 2007, this amount of decrease was better than expected, relative to business results reported by other industries in 2008, and given the tough economic environment faced by US businesses. To put this in perspective, businesses suffered unprecedented downturns—the DJIA fell 31% over the course of 2008. While we would all have preferred an increase in diversion and recycling in 2008, CARE members should be proud of what they accomplished.

In spite of the economic environment, CARE members continued to make progress towards our mission and goals. One of our key goals is to strengthen our network of entrepreneurs. In 2008, the CARE network of collectors increased to 58 from 56 in 2007.

Carpet recycling has strong positive economic impacts. For the first time in our Annual Survey, employment data was collected to understand regional employment impacts. In 2008 alone, our collectors reported 1100 people employed directly in the business, creating an additional 2200 indirect jobs in the local communities. This level of employment contributes significant dollars for local and state economies where these jobs are located.

Equally as important, the amount of carpet diverted from the landfill in 2008 means that we have eliminated over 238,000 tons of greenhouse emissions from the atmosphere, which is equivalent to over 2 Million barrels of oil not being burned, and 728,000 pine trees storing carbon for one year. Our members are proud of this accomplishment and the reduction in our overall environmental footprint.

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CARE Reclamation Network

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The economic downturn of 2008 significantly impacted CARE members both directly and indirectly. Our members were affected by the decrease in demand for post-consumer carpet nationally and internationally. Lower pricing for polymers and post-consumer carpet significantly impacted the profitability of CARE entrepreneurs. The stock market, housing market and automotive market were especially hard-hit in 2008. This downturn made consumers less likely to purchase both durable and discretionary items, items that typically use post-consumer carpet as a source of recycled content. Our expectations are for continuing market challenges in 2009, without significant improvements until sometime in 2010.

Topline Survey Results

There are several unique attributes of the data collected this year that should be noted:

• Efforts to avoid double-counting of diverted material were extended to include more detailed company-specific calculations. These calculations increased the overall accuracy of the estimates of diversion and recycling.

• The response rate to the survey was again very high this year. Thirty companies provided complete quantitative data and another 5 companies provided partial survey responses. By comparison, 32 companies provided complete quantitative data in 2007 and only 19 in 2006.

• More detailed data was collected regarding beneficial reuse of post-consumer carpet, providing a clearer picture of this aspect of diversion.

The progress in level of diversion from 2002 to 2008, along with the goals established in the signing of a Memorandum of Understanding (MOU) between the U.S. Environmental Protection Agency, state regulatory agencies, and Carpet America Recovery Effort (CARE) are shown in the figure below.

![Diversion Progress versus MOU Goals](image)

It should be noted that the comparison shown above is based upon the original MOU goals. However, in the 2006 Annual Report, CARE presented information to suggest that a more realistic comparison would be with an S-curve-shaped increase in goals, rather than the linear ramp-up assumed in the MOU.
As it did last year, the CARE survey effort included gathering information on the type of carpet face fiber collected or handled by recyclers. This data shows a considerable diversity in the types of face fibers collected and a pattern generally similar to last year’s data. The distribution of carpet fiber handled is illustrated in the figure below.

**Distribution of Carpet Fiber Handled**

- PET 8%
- Other 4%
- PP 8%
- N6 44%
- N66 36%

**Key Results For CARE In 2008**

- In 2008, CARE formed a partnership with Polymer Centers of Excellence (PCE) to foster the development of new technologies and products that will increase the use and demand for post-consumer carpet.

- The State of Maine became the latest signatory to the Memorandum of Understanding (MOU) for Carpet Stewardship. Maine will promote carpet recycling by seeking out reclamation opportunities for post-consumer carpet removed from government buildings, and by specifying the use of carpet underlayment pad made from recycled carpet fiber under new carpet installations.

- In response to a request for support from the Entrepreneur meeting, a CARE team developed a detailed set of descriptions for post-consumer carpet to make it easier to use as a raw material.

- Innovation is at the heart of CARE and its members, as shown in the new and enhanced applications for post-consumer carpet highlighted in this year’s Annual Conference.

- This past year, CARE began its evolution from a sponsorship to a membership organization, to reach out to more people who are interested in making a sustainable difference by supporting the mission of CARE.

- And in a 3 day Strategic Session, the CARE Board of Directors developed short-term and long-term strategies to grow the business and opportunities for the CARE membership.

- Finally, in 2008 CARE welcomed Bob Pilotti [ECM Plastics], Eric Nelson [Interface], and Sean Ragiel [CarpetCycle] to the Board of Directors. We also welcome Georgina Sikorski as our new Executive Director.

Developing market-based solutions for the recycling and reuse of post-consumer carpet.
Details of 2008 Highlights

PCE Collaboration

In 2008, CARE formed a partnership with the Polymer Center of Excellence (PCE) to provide training, testing and technological applications to the carpet-recycling community. The agreement will provide much-needed technical resources for members of CARE to assess the progress made in providing post-consumer carpet materials for plastics applications.

State Of Maine Becomes Latest Signatory To The MOU

On April 1, 2009, the state of Maine became the most recent signatory to the Memorandum of Understanding (MOU) for Carpet Stewardship.

Maine Department of Environmental Protection Commissioner David Littell, and representatives of CARE signed the agreement.

Maine will promote carpet recycling by seeking out reclamation opportunities for post-consumer carpet removed from government buildings, and by specifying the use of carpet underlayment pad made from recycled carpet fiber under new carpet installations.

Detailed Descriptions For Post-Consumer Carpet Now Available For CARE Members

CARE members continue to invest in new technologies and products to process post-consumer carpet and make it easier to use as a raw material. In 2008, based on input from the Entrepreneur meeting, CARE developed a set of detailed descriptions for post-consumer carpet that we can use to define and describe the attributes of processed polymers.

Product Applications For Post-Consumer Carpet Highlighted At Annual CARE Conference

At the CARE Annual Conference this year, members will learn more about commercial and test-market applications for post-consumer carpet. Among the many products available in the market, presenters will highlight:

- 100% post-consumer carpet cushion, for Residential, Hospitality, and high endurance Hospitality applications
- Engineered Fuel containing renewable biomass
- 200-mesh powder containing recycled carpet designed for use as a filler in latex and PVC carpet backing
- Highway Noise Abatement Panels
- Industrial Block Flooring Material
- Modular Nylon Recovery Plants
CARE Membership Evolves

CARE undertook changes in their organizational structure to diversify and broaden our membership beginning in 2008. Instead of limiting ourselves as a sponsorship organization, we have evolved into a membership association. This change makes it easier for affiliated associations to become a part of the team and make a sustainable difference. In our efforts to do so, we have expanded our membership resources by developing a member only web site within the carpetrecovery.org site. This site has tools and marketing materials available to members 24/7.

CARE Board Of Directors Completes Strategic Planning Process

In February, 2009, the CARE Board of Directors met for a two-day session to assess the current state of the carpet-recycling industry, and to set both short-term and long-term goals and strategies. These goals will support the mission of CARE and its members. The Board approved three strategic goals for 2009.

Goal 1: Achieve sustainable funding for the CARE organization in 2009

Strategies:

- Pursue a licensing fee for carpet
- Establish a recycle credit system for post-consumer carpet
- Secure funding from donated CO₂ credits

Goal 2: Increase the demand and market opportunity for post-consumer carpet

Strategies:

- Expand the business opportunity for, and support the marketing of, commercially available products containing post-consumer carpet
- Assess and aid the development of promising emerging products or technologies
- Establish and expand Government Procurement opportunities
- Incorporate reclamation in existing and new Standards
- Adopt post-consumer recycled content in revised NSF140 standard
- Incorporate post-consumer recycled content in proposed Residential Carpet Standard
- Assist collectors to improve the health of the collection network

Goal 3: Strengthen the leadership position of CARE

Strategies:

- Expand the breadth and depth of outreach to educate key audiences on the mission of CARE
- Broaden CARE membership
  - Expand membership categories and enhance membership benefits
  - Hire a Membership Manager
CONCLUSION

In 2008 we were able to divert over 292 million pounds of carpet from the landfill, and recycle 243 million pounds of this back into value-added products. We very much appreciate the support of our members- because of their commitment to our mission, CARE has been successful in making a sustainable difference.

We believe we have outlined a solid roadmap to be successful in 2009. We have the energy and support to continue on this journey together. We will continue to invest in new technologies and product development to meet the market need for high quality post-consumer carpet materials, and we will support the development of new consumer products that utilize this valuable and durable material, keeping ever-increasing amounts of carpet from the landfill.

Our success is dependent on your continued support- If you are currently a member of CARE, we thank you for your commitment. To those of you who are either directly involved in, or aligned with, the carpet industry, we ask you to support the efforts of CARE and do your part to make a sustainable difference. Please go to www.carpetrecovery.org to become a member of CARE.

DETAILED REPORT

Evaluation of Progress in National Goals for Carpet Recovery

The MOU that established the CARE initiative included an escalating target for diversion of post-consumer carpet from landfills, with the ultimate goal of diverting 40 percent of the post-consumer carpet generated. In addition, the MOU included estimates of the different types of diversion that might be employed to achieve the overall goal of 40 percent. When this information is coupled with projections of the amount of used carpet that will be discarded, it results in specific quantitative targets for diversion of post-consumer carpet. These data are shown in Table 1 on a weight and percentage basis, respectively.

Table 1: MOU Goals for Post-Consumer Carpet Recovery

(Data expressed in millions of pounds)

<table>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Discards ²</td>
<td>4,678</td>
<td>4,828</td>
<td>4,537</td>
<td>5,038</td>
<td>5,261</td>
<td>5,590</td>
<td>5,642</td>
<td>5,887</td>
<td>6,020</td>
<td>6,605</td>
<td>6,772</td>
</tr>
<tr>
<td>Reuse</td>
<td>25</td>
<td>113</td>
<td>211</td>
<td>203-339</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recycling</td>
<td>180</td>
<td>353</td>
<td>620</td>
<td>903</td>
<td>1,354-1,693</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waste-to-Energy</td>
<td>48</td>
<td>50</td>
<td>56</td>
<td>60</td>
<td>66</td>
<td>68</td>
<td>68</td>
<td>68</td>
<td>68</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cement Kilns</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Landfill</td>
<td>4,498</td>
<td>4,510</td>
<td>4,552</td>
<td>4,646</td>
<td>4,812</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Recycling Rate</td>
<td>3.8%</td>
<td>7%</td>
<td>11%</td>
<td>15%</td>
<td>20 – 25%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Landfill Diversion Rate</td>
<td>3.8%</td>
<td>10%</td>
<td>19%</td>
<td>23%</td>
<td>27 – 34%</td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>
The diversion goals contained within the MOU are also shown graphically in Figure 1. As noted in the Executive Summary, the MOU assumes an essentially linear ramp-up in recycling goals. Prior research performed by CARE indicates that a more realistic projection of recycling increases may be made using the Bass Diffusion Model of Innovation, which was discussed in detail in the 2006 Annual Report.

Figure 1: MOU Diversion Goals Chart

To update the progress toward meeting the MOU goals (or those suggested by other models for the projected increase in recycling), a confidential survey process was conducted by Weston Solutions, Inc. (WESTON) to assess the current status of diversion of post-consumer carpet from landfills in the United States (U.S.). This is the seventh year that such a survey was conducted. The results of that surveying process, as well as a description of the survey methodology, are contained in the remainder of this section of the Annual Report.

Key Quantitative Results from the Carpet Recovery Survey

In reviewing the results from the survey of carpet recycling, it is important to evaluate data in context, both in terms of results from previous years and the overall goals established in the MOU. Therefore, in this discussion of survey results, basic recycling and diversion data will be presented and compared with results from 2002 through 2008 and the goals of the MOU. Then, more detailed analysis of the 2008 survey results will be presented.

Table 2 shows a comparison of the quantity of post-consumer carpet recycled and diverted from landfill in 2002 through 2008, on a weight and percentage basis.
It should be noted that in this report, material recycled is considered all material recovered and recycled by being remanufactured into the same or different products or by being used as a feedstock in a manufacturing process. Material diverted is all material diverted from landfill, including all recycled material, beneficially reused material, material reconditioned and sold in retail/wholesale locations, and material sent to waste-to-energy facilities or cement kilns.

The data in Table 2 show that the quantity of post-consumer carpet reported to be recycled and diverted has increased each year the survey has been performed until 2008 where it decreased slightly from 2007. The annual recycling and diversion trend can be seen graphically in Figure 2.

**Figure 2: Post-Consumer Carpet Recycling and Diversion, 2002 - 2008**

![Bar chart showing millions of pounds of recycled and diverted carpet from 2002 to 2008]

In looking at the comparison between these different years of data, it is important to recognize that these are comparisons of results from survey processes, and therefore subject to the variations in the responsiveness. For 2006 data, only 19 companies provided quantitative responses to the survey, necessitating estimates based upon previous years’ data and secondary sources. For 2007, a total of 36 companies provided some level of quantitative data, with 32 complete responses, eliminating the need for any estimation or use of secondary sources of data, and thereby increasing the quality of the data reported. For 2008, 30 companies provided complete responses, and 5 provided partial responses.

It is also important to review the data in the context of the goals established in the MOU. The comparison of the MOU goals for diversion and recycling with survey results for 2002 through 2008 are shown in Table 3. This table shows that
the gap between the reported levels and MOU targets for recycling and diversion, both in absolute and percentage terms, continues to grow. Tracking against the S Curve within the Bass Diffusion Model has been suggested in the past by CARE's Executive Director as a more appropriate basis for comparison (see the 2006 Annual Report).

Table 3: Comparison of Post-Consumer Recycling and Diversion with MOU Goals
(Total Discards assumed to be equal to quantities projected in MOU)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Discards</th>
<th>Recycled</th>
<th>Diverted</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Millions of Pounds</td>
<td>Millions of Pounds</td>
<td>Percent of Total Discards</td>
</tr>
<tr>
<td>2002</td>
<td>Reported</td>
<td>4,678</td>
<td>46.2</td>
</tr>
<tr>
<td></td>
<td>Goal</td>
<td>178</td>
<td>3.8%</td>
</tr>
<tr>
<td></td>
<td>Difference</td>
<td>-132</td>
<td>-2.8%</td>
</tr>
<tr>
<td>2003</td>
<td>Reported</td>
<td>4,828</td>
<td>86.6</td>
</tr>
<tr>
<td></td>
<td>Goal</td>
<td>235</td>
<td>4.9%</td>
</tr>
<tr>
<td></td>
<td>Difference</td>
<td>-148</td>
<td>-3.1%</td>
</tr>
<tr>
<td>2004</td>
<td>Reported</td>
<td>4,537</td>
<td>98.4</td>
</tr>
<tr>
<td></td>
<td>Goal</td>
<td>267</td>
<td>5.9%</td>
</tr>
<tr>
<td></td>
<td>Difference</td>
<td>-169</td>
<td>-3.7%</td>
</tr>
<tr>
<td>2005</td>
<td>Reported</td>
<td>5,038</td>
<td>194</td>
</tr>
<tr>
<td></td>
<td>Goal</td>
<td>353</td>
<td>7.0%</td>
</tr>
<tr>
<td></td>
<td>Difference</td>
<td>-159</td>
<td>-3.1%</td>
</tr>
<tr>
<td>2006</td>
<td>Reported</td>
<td>5,261</td>
<td>232</td>
</tr>
<tr>
<td></td>
<td>Goal</td>
<td>442</td>
<td>8.4%</td>
</tr>
<tr>
<td></td>
<td>Difference</td>
<td>-210</td>
<td>-4.0%</td>
</tr>
<tr>
<td>2007</td>
<td>Reported</td>
<td>5,590</td>
<td>275</td>
</tr>
<tr>
<td></td>
<td>Goal</td>
<td>531</td>
<td>9.5%</td>
</tr>
<tr>
<td></td>
<td>Difference</td>
<td>-256</td>
<td>-4.6%</td>
</tr>
<tr>
<td>2008</td>
<td>Reported</td>
<td>5,642</td>
<td>243</td>
</tr>
<tr>
<td></td>
<td>Goal</td>
<td>620</td>
<td>11%</td>
</tr>
<tr>
<td></td>
<td>Difference</td>
<td>-377</td>
<td>-6.7%</td>
</tr>
</tbody>
</table>

As noted previously, the response rate for the survey was high, providing good confidence in data quality. However, it is important to recognize that even with a higher response rate, data is missing from a significant number of companies involved in carpet recycling. Over the years, the list of target companies for surveying has been narrowed down to those that are known to be significantly involved in post-consumer carpet recycling. For the 2008 survey, 61 companies were targeted to complete the data collection survey. Of those, 30 provided complete survey data, with another 5 providing some quantitative information. This means that although the response rate was high, 43 percent of the targeted companies did not provide any data. Thus, it is likely that the survey does not fully capture all of the post-consumer carpet recycling that occurred in 2008 (as is true of all previous years).
It is also important to note that data pertaining to material held in inventory at the beginning and end of 2008 was again gathered. This data point was added in 2007 to evaluate whether or not the amount of post-consumer carpet in inventory impacted total recycling and diversion rates. It had been suspected that in 2007 inventoried material had increased as a result of poor market conditions for end-products. An increase in post-consumer carpet managed in inventory during 2007 was in excess of 19 million pounds. In contrast, more than 17 million pounds of post-consumer carpet was removed from inventory in 2008. This material was not included in the recycling or diversion totals reported up to this point in this report, to preserve the year-to-year comparisons of data which, to-date, have not included any inventory data.

In 2007, the excess material held in inventory was added to the material diversion and recycling rates since the material held in inventory is technically diverted from being sent to a landfill. In 2008, 25 of the 30 responding companies answered questions pertaining to inventory dispositions at the beginning and end of the year. An annual decrease in inventory indicates that the approximately 17.2 million pounds of material represents a working down of the large amount of inventory in 2008 of material that accumulated in 2007. In 2007 a calculation was performed to show what the increase in recycling and diversion rates would be if one assumed that all of the material that went into increases in inventory were considered to be recycled. For 2008, the inventories decreased, which would result in a decrease in effective recycling rates if a similar calculation were performed. Thus, if one assumes that all 17.2 million pounds in inventory should be subtracted from diversion and recycling rates, this would decrease the recycling rate from 4.3 percent to 4.0 percent and the diversion rate from 5.2 percent to 4.9 percent. This decrease in estimated recycling and diversion rates is shown in Figure 3.

![Figure 3: Potential Impact of Inventory Increases on Recycling and Diversion Rates, 2008](image)

With those basic comparisons complete, the results of the 2008 survey can be examined in greater detail. Table 4 presents the 2008 survey results, showing the breakdown by type of diversion from landfill.
Table 4: Breakdown of 2008 Diversion of Post-Consumer Carpet

(Figures may not add up due to rounding)

<table>
<thead>
<tr>
<th></th>
<th>Millions of pounds</th>
<th>As % of Total Diversion</th>
<th>As % of Total Discards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recycling</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beneficial Reuse</td>
<td>4.0</td>
<td>1.4%</td>
<td>0.07%</td>
</tr>
<tr>
<td>Wholesale/Retail</td>
<td>2.1</td>
<td>0.7%</td>
<td>0.04%</td>
</tr>
<tr>
<td>Other</td>
<td>243.4</td>
<td>83.2%</td>
<td>4.31%</td>
</tr>
<tr>
<td>Total Recycling</td>
<td>249.4</td>
<td>85.3%</td>
<td>4.42%</td>
</tr>
<tr>
<td>Waste-to-Energy</td>
<td>40.6</td>
<td>13.9%</td>
<td>0.72%</td>
</tr>
<tr>
<td>Cement Kilns</td>
<td>2.3</td>
<td>0.8%</td>
<td>0.04%</td>
</tr>
<tr>
<td>TOTAL DIVERSION</td>
<td>292.3</td>
<td>100%</td>
<td>5.18%</td>
</tr>
</tbody>
</table>

The data in Table 4 show that for 2008, all of the quantitative results for diversion came primarily from three types of activities: recycling, beneficial reuse, and waste-to-energy, with the vast majority of the diversion occurring through recycling. There was also a small amount of diversion reported through cement kilns, reconditioning and resale to retail/wholesale vendors.

Another type of data gathered during the surveying process was information regarding the flow of used carpet through different types of companies. This information can help future market development efforts. The surveying process was designed to extract as much information as possible regarding the flow of material through different types of entities. To accomplish this goal, survey respondents were asked to characterize the nature of their business into one or more of the following categories (which are listed and defined below):

- Collector – A company that collects used carpet from the point of generation and transports it to a processing or waste management facility.
- Sorting Facility – A facility that separates waste materials (including used carpet) from a mixed waste stream. The end result of this process is used carpet that is separated from other materials.
- Processor – A company or facility that takes used carpet (whether handled by a sorting facility or brought directly by a collector) and processes it for use as a feedstock in a manufacturing facility.
- Manufacturer – A company or facility that utilizes processed carpet materials and transforms them into other products, or uses them as raw materials in a manufacturing process.

The breakdown of diversion by different types of companies is shown in Fig. 4.
It can be seen from Figure 4 that there is significant diversity in the types of companies contributing to the diversion of post-consumer carpet in 2008. This diversity is fairly similar to that reported in previous years, although the specific breakdown of company types varies somewhat. The information presented in Figure 4 provides a few key insights regarding the companies involved in carpet recycling:

Companies that perform all four key functions contribute the largest fraction of diversion: collection, sorting, processing and manufacturing.

Companies that perform collection as one part of their operations contribute Eighty-eight percent of total diversion; 85 percent by companies that perform sorting; 65 percent by companies that perform processing and 55 percent by companies that perform manufacturing. This indicates that these operations all play a key role in the recycling process and that a wide range of activities was captured by the data.

There is a very small contribution from companies that perform sorting only, as would be expected, since this activity is most often performed in connection with collection or processing.

To better understand the flow of recycled material, survey respondents were asked what type of companies they supply used carpet material after any processing, sorting or manufacturing is performed at their facility. In addition, respondents noted the percent of post-consumer material that is passed on to sorting facilities, processors, manufacturers, beneficial reuse, retailers/wholesalers, waste-to-energy facilities, cement kilns, and/or landfills. The results from this portion of the survey are summarized in Table 5 and Figure 5.
It should be noted that the data in Table 5 includes the total post-consumer material handled, including material that is received by recyclers but is rejected or ends up as waste material sent to a landfill. This material is not counted in the total diversion figures (since these figures are designed to reflect what is diverted from landfill), and that is why the total quantity of material accounted for in Table 5 is higher than the total quantity of material reported to be diverted. Thus, the 294.2 million pounds accounted for in Table 5 is 1.9 million pounds higher than the 292.3 million pounds of diversion reported elsewhere in this report, with the difference being the approximately 1.9 million pounds of material sent to landfill.

It can be seen in Figure 5 that more than half of the material handled by survey respondents was sent to manufacturers. This includes a significant amount of material that is used internally by manufacturing companies, as well as the material sent to manufacturers by other companies. Another 25 percent of the material is sent to processors. Material sent to cement kilns continues to hold around 1 percent, which is a significant increase from 2006, both in absolute numbers and in terms of the percentage of the total flow.
Another component of the data gathered during the 2008 survey was information related to domestic and international flows of material. In 2008, 29 of the 30 survey respondents provided data regarding the destination of material handled, which is a significant increase in responsiveness from 2007. The results are shown in Figure 6.

**Figure 6: Destination of Post-Consumer Carpet Recovered in 2007 and 2008**

(Results are percentages of the total flow for which destinations were reported)

2007

- Canada: 1%
- Europe: 0.4%
- Asia: 0.5%
- Mexico: 0.4%
- US: 98%

2008

- Europe: 12%
- Asia: 1%
- Canada: 1%
- Mexico: 0.2%
- Other/Unknown: 0.4%
- US: 86%

It can be seen in Figure 6 that the vast majority of the post-consumer material recycled was sent to facilities within the U.S. Over the last three years, more material has been reported as being recycled domestically with downward trending percentages being exported to Asia and Europe. In 2008 however, almost 12 percent of output post-consumer material was exported to Asia, a figure that is significantly higher than has been reported over the last two years.

Another area in which detailed information was sought is the type of material handled. Companies responding to the survey were asked to provide a quantitative breakdown of the type of material they handle, by fiber type. In 2008, 26 of the 30 reporting companies provided this data. The composition results for 2006 through 2008 are summarized in Figure 7. This data was first gathered in 2006 and is shown for comparison, as there are some significant differences between the three years.
Figure 7: Breakdown of Carpet Material Recycled, by Fiber Type

NOTE: N6=Nylon 6; N66=Nylon 66; PP=Polypropylene; PET=Polyethylene terephthalate

It can be seen from Figure 7 that in 2008, N6 was again the most predominant fiber, followed by N66. In comparing 2008 to 2006, N6 was a much greater fraction of the total material handled in 2008, with PP decreasing significantly. More responses were collected in 2008 than were collected in 2006 and 2007 respectively; therefore, the 2008 data is higher in data quality than previous years.

The first time data was gathered regarding the quantity of material in inventory was at the beginning and end of 2007. The idea was to determine if some of the anecdotal reports regarding changes in inventory could be documented. In 2008, a decrease in inventory was documented. In total, inventories of post-consumer carpet decreased by approximately 17.2 million pounds during 2008. The amount of material reported to be in inventory at the beginning and end of 2008, by fiber type, is shown in Figure 8.
The data in Figure 8 show that all fiber type inventories declined in 2008, except that of PP and Other. These trends indicate that in 2008 companies were mostly working down N6 material accumulated in 2007.

The 2008 survey included a request for information regarding projected changes in quantity of material handled next year, compared to the previous year. Twenty-six companies provided quantitative data allowing analysis of their responses, and those 26 companies are expecting an aggregate decrease of about 40 million pounds next year. It should be noted that the responses received reflected a full range of projections from significant increases to staying the same to significant decreases.

In 2008, for the first time, information was analyzed on a regional basis. The first component of this analysis was simply to determine the geographic location of the reporting companies (the company’s headquarters location was used as the location of the company). Of the companies that responded to the survey, 55% were located in the Southeastern states and 17% in Southwestern states. This data is shown in Figure 9. In addition, employment data was collected to understand regional employment impacts. The highest employment totals were found in the Southeast followed by the Pacific South and the Northeast. This data is shown in Figure 10. The breakdown of employment by region is similar to the breakdown of where material is recycled, as is shown in Figure 11. The Southeast and the Pacific South are the two regions where almost 73% of all incoming material is handled.
Figure 9: Reporting Companies by Region

- Pacific North: 3%
- Pacific South: 3%
- Midwest: 11%
- Northeast: 11%
- Southwest: 17%
- Southeast: 55%

Figure 10: Breakdown of 2008 Employment Data by Region

Number of Employees

Figure 11: Breakdown of 2008 Collection Data by Region

Millions of Pounds Used Carpet Handled
Qualitative Feedback from Carpet Recovery Survey

In addition to the quantitative data gathering that was performed during the survey, respondents were also asked what specific activities CARE had undertaken to assist the carpet recycling industry and also what activities CARE should undertake in the future. A summary of the results is as follows:

- Twelve companies indicated that CARE has provided support through presentations to local governments, while four companies indicated that CARE should do so in the future.

- Six companies indicated that CARE has provided research on separation technologies and five companies indicated that they think CARE should support that type of research in the future.

- Six companies indicated that CARE has provided research on processing equipment and seven companies responded that CARE should provide that research in the future.

- Three companies responded that CARE has helped facilitate meetings among carpet recyclers and eighteen indicated that CARE should do so in the future.

- Thirteen companies indicated that CARE has provided research on regional recycling levels and three companies indicated that CARE should provide that research in the future.

- It should be noted that with regards to the support received from CARE during 2008, the number of companies reporting that they received support was slightly lower than reported in 2007.

- A number of specific suggestions were offered regarding types of support that CARE should provide to the carpet recycling industry, including:
  - Develop recycling subsidies for manufacturers.
  - Advocate for government subsidy of income associated with recycling.
  - Assist in finding and developing markets for items that use post-consumer recycled material outside of the carpet and plastics industries.
  - Assist in finding and developing markets for N66 and PP.
  - Develop and enforce a fee for post-consumer carpet dumping going to recyclers.
  - Perform asbestos awareness education.
  - Research best methods for collection.
  - Evaluate feasibility for obtaining carbon credits for the recycle and diversion of post-consumer material.
  - Develop marketing materials that help to identify products containing post-consumer recycled content.
Conclusions

The following key conclusions can be drawn from the data presented:

- Reported diversion and recycling decreased slightly, 0.8 and 11.5 percent, respectively, from 2007 to 2008.

- Report recycling represented 4.3 percent of total discards and diversion represented 5.2 percent of total discards in 2007.

- Reported decreases in inventories totaled 17.2 million pounds in 2008. If all of this material is subtracted from recycling and diversion rates, that would translate into 2008 diversion and recycling rates of 4.9 and 4.0 percent, respectively.

- There are two factors that resulted in a relatively high quality of data reported in 2008. First, the response rate was again very high, with 35 companies providing some level of quantitative data (compared with 36 for 2007). No extrapolation of data or use of secondary sources was required. Second, through extensive follow-up efforts beyond the survey, access was provided to information that allowed for a highly specific determination of double counting and an accurate adjustment that eliminated any potentially significant sources of double counting.

- The reported diversion and recycling rates remain below the goals contained in the MOU and the gap between the goals and reported level of diversion and recycling has increased. However, as was noted in last-year’s report, a different model for comparing against MOU goals has been suggested by CARE.

- There is a great deal of diversity in the types of companies reporting post-consumer carpet recycling. As has been true in the past, the largest fraction of recycling is attributed to companies that perform all four key recycling functions: collection, sorting, processing and manufacturing.

- Approximately 57 percent of the post-consumer carpet material reported to be recycled was sent to a manufacturing facility and 25 percent to a processing facility after handling by the entities responding to the survey.

- Approximately 86 percent of the material reported to be recycled was sent to facilities in the U.S.

- There is considerable diversity in the types of carpet fibers handled by recyclers. N6 is the most prevalent fiber type, comprising 44 percent of the material handled, followed by N66 at 36 percent and both polypropylene and polyethylene terephthalate at 8 percent. In comparing 2008 to 2006 data, N6 was a much greater fraction of the total material handled in 2008, with PP decreasing significantly.

- There is considerable awareness of the activities CARE undertakes to promote post-consumer carpet recycling, particularly with regards to facilitating communication amongst and between carpet recyclers. In addition, there are a number of areas in which carpet recyclers have specific ideas and suggestions about the types of activities CARE should undertake in the future.
Survey Methodology

In developing a survey methodology to establish quantitative estimates of recycling of a particular waste-stream, two key factors must be taken into account: 1) participation; and 2) double-counting. Participation is essential in any surveying process, but more so for this type of survey, where there is no logical or reliable way to extrapolate results from respondents to the general population. This means that whatever results are derived from the respondents to the survey are the complete and total results. Thus, every effort must be made to maximize participation.

However, with increasing participation comes another potential problem: double-counting. Since a given pound of used carpet may pass through several different entities on its way from the point of generation to its ultimate disposition (reuse, recycling or disposal), and since all of these different types of entities (collectors, sorting facilities, processors and manufacturers) are all included in the survey, there is the chance that the same pound of carpet could be counted more than once. As participation increases, the likelihood of double-counting increases, since there is a greater chance that more than one company may be reporting on handling the same material.

A number of features were built into the surveying process to address these two key issues:

- Confidentiality of data is often the key to participation, and all aspects of the survey were designed to preserve confidentiality. In particular, a web-based surveying tool was used to allow respondents to provide data completely anonymously, if they desired. In addition, all written and verbal communication with potential survey respondents stressed the confidentiality of data.

- Simplicity and ease of response is also a key to participation rates. The survey questions were streamlined to the maximum extent possible so that only the most critical data requirements were included, based upon the philosophy that it is much better to have the basic data from a lot of respondents than detailed information on a few (particularly since there is no basis for extrapolation).

- Participation rates can also be boosted through the use of multiple means of contact (as well as repeated contacts). Thus, e-mail, telephone and face-to-face communication were all used as means to contact potential survey respondents.

- To maximize the value of those survey responses received, and to minimize chances of double counting, it was determined that it would be best to focus surveying resources on large-scale manufacturers that recycle used carpet. While all types and sizes of companies involved in carpet recycling were contacted initially with a request to respond to the survey, resources for telephone follow-up were prioritized to focus more heavily on those entities judged to be large-scale manufacturers handling used carpet. Since most recyclables tend to aggregate as they go through various stages of the recycling process (going from a large number of collectors, to a smaller number of sorting facilities, to a smaller number of processor and finally to a smaller number of manufacturers), one can get more “bang for the buck”
in devoting resources to gathering data from a manufacturer than from other types of companies.

- To reduce the chances of double counting, survey respondents were asked to identify the geographic sources of their materials, to the extent they were known. The notion behind this is that if the nature of the survey responses is such that there is a sense that information from two or more companies might reflect handling of the same material, the geographic sources of these companies could be reviewed to determine if that was likely.

- In another attempt to reduce the chances for double-counting, survey respondents were asked about the type of companies that receive the material that their company ships out after they are done handling it. This information not only allows for identification of possible double counting, but also serves to provide a more complete picture of the overall flow of used carpet through the collection and recycling process. In one particular instance, data from one company was adjusted so as to minimize double counting, based upon an understanding of where they send their material after collection and sorting.

- In this year’s survey process, an additional step was incorporated to address a situation in which the potential for double counting was identified (based upon the process described above). When the potential for double-counting was identified, a special arrangement was made for sharing of additional detailed information about sources of material handled by certain companies so as to determine if, and exactly how much, double-counting might be included in data received. Based upon that information, a highly detailed and accurate adjustment was made to remove this source of double-counting error. This process is being described in only a general way herein to preserve the confidentiality of all parties and data involved.

With those basic principles in mind, the surveying process was implemented, using the steps outlined below, which are described in generally chronological order:

1. The survey form used in the 2007 survey was updated to reflect the need to recover data for 2008, and to add a request for total employment numbers and the percentage of employees associated with recycling efforts. Data related to inventory was again collected in 2008. The survey form is shown in Appendix 1 to this Report.

2. The survey form was converted to a web-based survey and posted on the Internet. The survey is accessed by going to a specific URL address that houses the survey, and results are submitted via the Internet, without the need for e-mail or paper-based responses. The results are only available to WESTON, as they are password protected, to preserve confidentiality.

3. Based upon past experience with this survey process, the surveying was focused solely on those companies for which specific individuals have been identified as a point of contact. In addition, in the months leading up to the
survey, the staff of CARE worked to develop an up-to-date listing of contacts and e-mail addresses that truly reflected the current status of active companies involved in post-consumer carpet recycling.

4. Companies with specific contacts and e-mail addresses were notified via e-mail about the survey and provided the URL so that they could respond electronically. A total of 61 different companies were sent e-mail notifications of the survey (more than one individual was contacted from an individual firm in several instances). The e-mail notification stressed the confidentiality of the information they provide.

5. Approximately two weeks after the initial e-mail was sent out, follow-up activities were initiated. These included follow-up e-mails to those companies that had not responded, as well as telephone calls to prompt response and answer questions that some potential respondents had raised.

6. All survey responses were reviewed for any internal inconsistencies or unclear responses. The survey responses were also reviewed to determine if there were any questionable responses (e.g. data that appears to be off by orders of magnitude with regards to company size). In those instances where there was some question about the responses provided and the respondents have provided their name (respondents can choose to respond entirely anonymously), follow-up was performed to clarify the responses.

7. Data from survey responses was transferred to a spreadsheet-based database. This database contains all of the quantitative responses, as well as summaries of any descriptive information provided by the companies.

8. Data to eliminate potential double counting was received and appropriate adjustments made to the data compilations.

9. The data in the database was compiled and analyzed to produce the results described herein.

Assessment of Survey Approach and Results

As noted previously, there are two key factors that lead to the conclusion that this year’s survey results are high in quality (i.e. believed to be more representative of real-world conditions):

- Response rate was again very high, meaning that a greater proportion of the total number of companies involved in post-consumer carpet recycling responded by submitting survey results.

- A specific calculation was performed to adjust for a potentially significant double-counting situation. In the past, when potential double-counting situations were identified, an estimate was made to account for that potential. This year, a specific adjustment could be made based upon supplementary data derived outside of the survey process.

It should also be noted that there are other reasons outside of the specific adjustment made to believe that the potential for double counting has been minimized (as has been noted in previous years):
• Even though the response rate was high, quantitative data was provided by only slightly less than one-half of the targeted companies (and a much lower percentage of the total number of companies involved in the carpet recycling industry). Thus, even if there is some double-counting within the data, it is likely more than offset by the fact that a good deal of carpet recycling is likely going unaccounted for.

• A significant portion of the carpet recycled is handled by manufacturers who reuse the material internally within their own manufacturing process, thus eliminating the possibility for double counting of this material.

• Only 9 percent of the material that is reported to be diverted is handled by companies that are solely collectors, and it is when there is data provided by collection-only companies that the chances for double counting increase. When the company performing collection also does some sorting and/or processing, it reduces the chances for double-counting, since the next company in the process is unlikely to know the specific source of the material they are receiving and thus unlikely to report it in a survey on recycling of post-consumer carpeting.

For all of these reasons, double counting does not appear to be a significant issue with the data presented herein.

2008 is the second time that data regarding inventory was collected. In order to handle this data in the most conservative fashion possible, none of the decrease in inventory reported was included in the base calculations of recycling or diversion. As noted elsewhere, one could make a variety of assumptions about the ultimate disposition of that material, which is why the impact of that decrease in inventory on diversion and recycling rates was reported separately.
CARE OUTREACH RESULTS, 2008

6th Annual CARE Conference

In 2008, 167 members and colleagues of CARE gathered at its 6th Annual Meeting at the Sandpearl Resort, in Clearwater, Florida. For 2½ days attendees networked with professional colleagues, to learn more about new products and technologies that can help them in their business. As always, there were serious discussions and debates about the state of the industry.

We also took time to recognize the outstanding individuals and companies who made significant contributions to the CARE organization. The following awards were given:

2007 Large Recycler of the Year: Shaw Industries Group

2007 Small Recycler of the Year: Kruse Carpet Recycling

CARE Person of the Year: Russ DeLozier, Shaw Industries Group
The First EPA/CARE Innovation in Recycling Award Presented at 6th Annual Conference

In 2008, the EPA and CARE presented the first Innovation in Carpet Recycling Award at the Annual Conference. This award was presented to Interface, recognized for their ReEntry 2.0 program. ReEntry 2.0 reclaims all types of carpet (commercial and residential) regardless of face fiber type or backing used. Through a new patent-pending technology, Interface can cleanly separate the face fiber and backing of nearly any carpet type. The conference agenda and copies of the presentations may be found on www.carpetrecovery.org.


5th Annual CARE Entrepreneur Meeting

Once again, CARE entrepreneurs gathered in 2008 to discuss common opportunities and challenges facing them in a particularly tough market. Altogether 62 people attended this meeting, an increase of 11% from 2007.

Sponsors of the 5th Annual Entrepreneur meeting included Antron®, CARE, Interface, Mohawk, Shaw Industries Group, StarNet, and Universal Fibers.
CARE Web Site Traffic

CARE is pleased to report that CARE web site traffic for 2008 increased to 271,525 visits, a 36% increase versus 2007.

Annual CARE Website Visits

CARET INDUSTRY INITIATIVES

Beaulieu Group

Beaulieu Group LLC diverted 9,477,800 pounds of Post-Consumer (2,405,000 pounds) and Post-Industrial (7,072,800 pounds) carpet waste from landfills during 2008. All material was reprocessed in shredding operations for use in other industries or processed and re-extruded for yarn.

Internal use of reprocessed materials continues to increase with strides being made in Polypropylene, Nylon-6 and Polyester (PET). Virtually all polypropylene waste is being recycled internally. Small amounts that cannot be handled internally are reprocessed by local activities into the plastics industry. Internal use of recycled Nylon-6 increased from 400,000 pounds in 2007 to over 1,000,000 pounds in 2008. Beaulieu Group LLC remains one of the two largest users of recycled PET bottles (over 85 million pounds) for yarn production consuming 2 pounds on waste PET bottles for every pound of waste generated in manufacturing.

The Nexterra product line by Beaulieu Commercial continues to provide a new and varied approach for an environmentally friendly carpet tile. Nexterra was the first product certified in 2008 under the NSF 140-2007e standard to the Platinum level for carpet sustainability. With more than 60% total recycled post-consumer content and 85% backing recycled post-consumer content, use of 100% Green Energy in production, and engineered to use no water during tile production, this product continues to provide a great tie to sustainability's future growth.
Beaulieu Group LLC continues to look for innovative ways to use post-consumer carpet products. Additional consumption of post-consumer polyester and polypropylene from carpet is underway and should be part of our regular production in 2009.

**Carpet And Rug Institute Support Of CARE In 2008**

- Partnership with CARE in New York City outreach. The outreach is designed to create partnerships between the city government, manufacturer, and private entrepreneur.
- Co-located exhibit booth with CARE at the Green California show attended by state officials (including Governor Schwarzenegger).
- Co-located exhibit booth with CARE at the USGBC Greenbuild Expo 2008.
- Attended CARE Conference in Clearwater, FL.
- Presented CARE message at the annual meeting of the Tennessee Recycling Coalition.
- Attended Entrepreneur Conference in Cincinnati, OH.
- Promoted the use of recycled carpet through adoption of NSF-140 to District of Columbia, City of Boston, City of New York, City of Atlanta, and City of Baltimore.
- Field phone calls daily from consumers looking to recycle used carpet responsibly and weekly from individuals seeking to open carpet-based recycling businesses.
- Featured CARE in New York Times Q&A article (Scelfo, 3-19-2009).
- Conduct strategy development on Post-consumer Carpet Content and/or Credits for presentation to NSF-140 Joint Committee. If approved, this will directly benefit CARE by promoting the use of post-consumer carpet into new carpet.
- CRI lobby assisted in securing the State of Maine as a signatory to the MOU.
- Hundreds of in-kind hours donated by CRI staff for CARE related activities—accounting, clerical, administrative, promotional, and executive.

**Interface**

Interface has reclaimed more than 167 million pounds of carpet since 1994, including just over 40 million pounds in 2008. Our recycling business, called ReEntry 2.0 reclaims all types of carpet (commercial and residential) regardless of face fiber type or backing used. The Interface technology allows the materials in old carpets to be cleanly separated to ease the recycling process.

Separated nylon 6,6 fiber is recycled into new nylon 6,6 fiber and plastics, while separated vinyl backing is recycled into new vinyl backing using Interface’s Cool Blue backing technology, all with a remarkably low energy footprint. Recycling partners have been identified for other reclaimed carpet materials to ensure that
no reclaimed carpet ends up in landfills. Through ReEntry 2.0, Interface has introduced 59 new carpet tile products in the last two years using the industry's first nylon 6,6 fiber with post-consumer content.

The system has a number of unique qualities, including extremely small physical and energy footprints and its flexibility. Through ReEntry 2.0, Interface is now able to reclaim all types of carpet, reducing waste sent to landfills and further reducing the company's reliance on virgin materials. Interface can process more than 30 million pounds of carpet annually through this system and has long term plans to regionalize this business across the United States.

Last year, the Society of Plastics Engineers awarded Interface its Innovation Award for ReEntry 2.0, and two years ago, Interface received the Recycler of the Year award (Large Entity) from CARE.

**INVISTA**

INVISTA began offering carpet recycling services in 1991 and pioneered carpet reclamation by starting the Antron Reclamation Program™, the first nationwide carpet reclamation program that recycles all types of carpet.

The Antron Reclamation Program™ is open to all dealers and end-users. INVISTA will provide containers and trailers for transport, or customers can deliver post-consumer carpet directly to the facility. The program will accept any used carpet and installation scraps that do not include contaminants or hazardous substances including ALL fiber types, ALL carpet construction types, and from ANY manufacturer; NO carpet accepted by the Calhoun facility will be sent to the landfill. Recycled material from the program may be used in new carpet, carpet cushion, filtration devices, automotive parts, packaging materials and furniture.

The Antron Carpet Reclamation Program™ goes beyond just a pledge of sustainability, providing customers with documentation. Customers receive a certificate of reclamation, certifying that their carpet has been entered into the Antron Carpet Reclamation Program™, with the commitment that the used carpet will not be sent to a landfill. In addition, the Antron Carpet Reclamation Program™ offers the ability to track reclaimed carpet throughout the process—providing chain of custody documentation at request. Additionally, the Antron Carpet Reclamation Program™ is third-party certified by Scientific Certification Systems (SCS), as a viable reclamation program.

INVISTA was the first fiber manufacturer to achieve Environmentally Preferable Product (EPP) certification for Antron® carpet fiber in 2002. Antron® fiber is currently the only carpet fiber certified as EPP. EPP certification is awarded annually by Scientific Certification Systems, a third party certifier of environmental claims. Scientific Certification Systems has repeatedly concluded that Antron® fiber meets its comprehensive EPP requirements in the areas of product manufacturing, resource conservation, end-of-life responsibility, social responsibility, and product performance.

Because end-users, architects, designers and commercial dealers want to recycle, INVISTA has made the Antron Carpet Reclamation Program™ more flexible in
hopes that more people can take advantage of this environmentally preferable option. Dealers and end-users interested in recycling should contact their Antron® fiber consultants for more information. Please visit www.antron.net or call 1-877-5-ANTRON.

**J+J/INVISION**

At J+J/Invision our sole purpose is to bring vision in line with reality for architects, designers and end-users – freeing them from compromise – and do it in a way that is sustainable and doesn’t negatively affect the environment. It is for this reason that we created EnAct® (Environmental Action): our organization-wide focus on reducing, recycling, reusing and creating a healthier, more sustainable environment. With the EnAct program, we have taken numerous measures to ensure maximum sustainability at the J+J/Invision campus with our products and with our customers.

All J+J/Invision products are manufactured in an ISO 14001:2004 certified facility. At the time of this publication we anticipate certification of three NSF/ANSI Standard 140-2007 products – eKo® (Platinum Certified), PremierBac™ Plus (Gold Certified) and TitanBac® Plus (Gold Certified). In addition to these certifications we have developed multiple EnAct initiatives – R4®, Carpet Reclamation, eKo, ecoScorecard and Campus Green - that offer environmentally focused options:

The R4® [return, reuse, recycle, reduce] program is a visionary solution to return, reuse, recycle and reduce all carpet samples and architect folders, regardless of manufacturer. Those wishing to make a return can call customer service at 800.241.4585 or print a prepaid return label from our website at jj-invision.com.

The J+J/Invision Carpet Reclamation Program will take your used carpet and guarantee that it will not reach a landfill, regardless of original manufacturer, type or fiber content.

eKo, J+J/Invision’s PVC-free modular backing, is another initiative of EnAct. eKo contains pre-consumer and post-consumer recycled content and provides closed-loop recyclability. Both the face fiber and the backing can be recycled into new eKo backing once the life of the carpet is complete.

With the J+J/Invision ecoScorecard®, time spent searching, evaluating and documenting environmentally sound products is dramatically reduced. This program can be accessed through the J+J/Invision website and uses an objective evaluation based on a wide array of accepted protocols using an embedded algorithm.

Campus Green is our campus-wide effort, among all associates, to encourage and support working and thinking with social responsibility and product sustainability concerns in mind. Two main focuses of the J+J/Invision Campus Green initiative include the Associate Recycling Program, which allows associates to bring recyclable goods from home to our on-site recycling containers, and our company-wide goal of zero waste to landfill.

In addition to each of these EnAct initiatives, we constantly have our eye on technology in order to take advantage of the latest advances in environmental science, pushing the industry towards a more sustainable future.
MANNINGTON MILLS

Mannington has long driven investment and research into reducing manufacturing waste and increasing efficiency. By evaluating all our products and processes against our corporate goal of becoming a net-user-of-waste, we have been able to make significant company-wide improvements that get us closer to that goal each year. And by implementing ISO 14001 in both our Georgia carpet and New Jersey commercial resilient facilities, we have proven that our entire process exceeds stringent environmental standards.

ArtCraft carpet tile, introduced in 2003, has been a great success both for its colorful aesthetic and smart re-use of 100% post-production yarn. The next innovative improvement was adding ArtWorks. ArtWorks include a dominant high-recycled yarn to the ArtCraft look, and are available with our Infinity RE backing. Artcraft, Artworks, and over 50 other exciting tile products use the Infinity RE backing system with pre and post-consumer recycled content exceeding a total of 30% by total product weight. The minimum is 10% post-consumer recycled content, most of which is reclaimed post-use carpet through LOOP, our nation-wide carpet reclamation system.

LOOP increased our carpet reclamation quantities by over 58% comparing 2008 to 2007, so we’re certainly heading in the right direction. All Infinity RE backed carpet meets the Platinum level of NSF/ANSI 140-2007e Sustainable Carpet Assessment Standard.

Regarding our recycling expertise and the technical framework of carpet-to-resilient and resilient-to-carpet, Mannington continues to be the only company able to reuse reclaimed carpet into what is now called Relay RE. It is the first and only hard-surface flooring to contain recycled carpet. In 2007 we began incorporating reclaimed carpet from LOOP. Relay RE is 35% total RC – 20% post-consumer and 15% pre-consumer. In the coming years, we will continue to invest and research new technologies and processes to increase recycled content and reduce waste. And we will continue to work with progressive organizations like CARE who are working to improve environmental performance in our industry. Because after all, actions speak.

MILLIKEN

Milliken Ecountability represents a long-standing commitment to stewardship. This holistic vision to respect the earth encompasses every opportunity, every decision, every partnership, every location and every associate in the workforce. Ecountability guides Milliken’s corporate policies, manufacturing practices and product life cycle design.

With more than a century of responsible environmental action, Milliken & Company offers innovative product lines with carpet, chemical additives, and quality textiles from manufacturing facilities around the world.

Corporate Commitment & Policy. Through Milliken Ecountability, the company’s environmental policy provides a clear directive to reduce its impact on the planet. Milliken continually reviews product life cycles, supply chains and manufacturing processes to assess net impacts and what can be done to reduce them. It applies
solid metrics, and follows established guidelines including Design for Environment and Life Cycle Inventory Assessment (LCIA) to ensure goals are met. Milliken has been named to FORTUNE Magazine’s Best Companies to Work For listing five times and recognized as one of the World’s Most Ethical Companies.

**Manufacturing.** Milliken Ecountability initiatives for manufacturing address the planet’s air, water and earth while recognizing the importance of third party verification. Milliken is certified carbon negative without purchased carbon credits based on quantified emissions that include energy reduction, renewable energy, and carbon sequestration delivered by its forests. The company also maintains Cleaner and Greener™/Health & Climate Care certification. Milliken has reduced energy usage and water consumption 50% since 1995 while increasing production. Milliken seeks renewable energy sources and harvests methane to power production. Current Energy and Water Initiatives focus on increased savings. To further increase energy efficiency and significantly reduce greenhouse gases, Milliken & Company joined the EPA SmartWay™ Transportation Partnership. The company is concerned for the people in the process and goes beyond regulation compliance to set benchmarks in efficiency and safety at all locations around the world.

Milliken has sent zero waste to landfill from carpet manufacturing since 1999. The Earth Square initiative encompasses carpet renewal and repurposing with a broad reclamation effort. The No Carpet to Landfill Pledge drives responsible end-of-life alternatives. Milliken works with strategic partners to re-channel old carpet into the most appropriate application while reducing the impact on our Earth. The company evaluates the condition and contaminant levels of every used carpet returned and chooses the highest form of recovery possible. Product durability allows extended product life and makes repurposing practical. Because Milliken modular carpet is manufactured to a performance benchmark that exceeds the industry norm, another life cycle is quite feasible.

**Products.** Milliken Ecountability means being responsible for the entire carpet life span, certifying the products and production to the most stringent standards by reputable third parties. Life Cycle Analysis supports these efforts to design for reclamation and recycled content—both post-consumer and post-industrial. Applying research from the world’s largest textile research facility allows Milliken to introduce renewable and bio-based materials through innovative green chemistries that eliminate chemicals of concern. In fact, Milliken introduced PVC-free carpet tiles more than 20 years back.

No other carpet may contribute more toward LEED®. All modular commercial and hospitality products are certified to the universal sustainable carpet standard NSF/ANSI 140-2007e.

**MOHAWK GROUP**

As founding members since inception, Mohawk supports the mission and work of CARE – “to find market-driven solutions to the diversion of post-consumer carpet from landfills”. We believe that the only solution to carpet recycling is a complete solution. Partial solutions will not solve this multi-billion pound
industry issue. For this reason, we focus on the big picture - the entire carpet - not simply the fiber in it. At the Mohawk GreenWorks pilot facility in North Georgia, we recycle all components of the carpet: the face fiber, the backing and even the calcium carbonate. We are also able to process carpets made with a variety of face fibers. We are not restricted to only one type of carpeting or fiber. This facility demonstrates that our patented technology does create a total solution. As additional end use markets are developed, the process has been designed to be easily replicated in additional locations, with the investment needed to create a new plant being small when compared with the cost of replicating other recycling processes in the industry.

Though it may be difficult to see from the inside, the carpet industry is seen as a leader in the recycling space. Manufacturers have made tremendous strides to create processes that prevent carpeting from making it to a landfill, but more needs to be done. It is clear that carpet-to-carpet processes are only a small part of the puzzle and will never be the total solution to the problem. The answer lies in finding multiple solutions by creating new long-life products which are not only easier to make, but also easier to deconstruct again for reuse at the end of their life cycle. Mohawk’s goal is to “up-cycle”, or to find the highest and best use for every component of the carpeting we manufacture.

Our industry is one of the largest plastics users in the world. To think that billions of pounds of fiber will be made back into fiber each year is not realistic. Our challenge is to develop technologies and end use applications from fibers in the form of plastic materials. Nylon continues to be, and will be for the foreseeable future, the majority of the carpet waste stream. Due to its chemical properties, all nyons are particularly valuable commodities for the plastics industry. Mohawk and CARE are working hard to educate the plastics market of the multi-billion pound opportunity for post-consumer plastics from the carpet industry and to create new markets for these valuable plastics. We have proven that our products are an excellent substitute for virgin materials and recognize that tremendous possibilities for up-cycling into other industries including automotive, furniture and even house wares. As these technologies and end markets continue to develop, our industry will be able to make a significant impact on the amount of carpet waste diverted from landfills. Only then will we be able to successfully achieve the objectives of CARE and offer a complete solution to the problem.

**SHAW INDUSTRIES GROUP**

Shaw Industries Group, Inc., a subsidiary of Berkshire Hathaway, Inc., is the world’s largest carpet manufacturer and a leading floor covering provider with more than $5 billion in annual sales and approximately 31,000 associates. Headquartered in Dalton, Ga., the company manufactures and distributes carpeting, rugs, hardwood, laminate and ceramic tile for residential and commercial applications worldwide. A recognized leader in environmental stewardship, Shaw has implemented hundreds of sustainability initiatives and cradle-to-cradle design solutions, collectively termed the Shaw Green Edge™.

The Shaw Green Edge™ was created as a way to share Shaw’s organizational perspective of the value that sustainability brings to the company. It connected
far-flung reaches of the Shaw organization through commonly held environmental values and beliefs made tangible through innovation and investment. CARE performs a similar function for nationwide carpet collection and recycling efforts by showcasing multiple and varied end-uses for post-consumer carpet components. But sustainability and growth within the framework of an organization like CARE, or like Shaw, must be strategically linked to meet ambitious goals that reach far beyond milestones of past efforts.

In April 2008 Shaw announced its newly appointed Growth & Sustainability Council and held its first meeting to begin the process of strategically linking these all-important attributes within the Shaw organization.

Over time, Shaw expects the results of this Council to be compounded through profitability and increased investment, much like the results previously realized through its Enterprise and Operational Excellence initiatives. The Shaw Growth & Sustainability Council defines a 21st century Shaw that is stronger and better equipped to meet the future. A professional facilitator, Dr. Bruce Piasecki, the author of World Inc. and the president of the AHC Group, is assisting in organizing and developing critical information for the Council. Along with Hal Long, CEO Vance Bell, President Randy Merritt and Chief Financial Officer Ken Jackson will provide leadership and advice to the Council and will act on its recommendations. The Council itself is comprised of key company executives across all functional areas of the company. The broad make up of the Council is necessary to connect sustainability with Shaw’s core strategies for growth and for meeting stakeholder expectations.

The Council is chartered to drive business excellence based on the Shaw Green Edge™ Sustainability Business Platform. In the course of Shaw’s environmental journey, the Shaw Green Edge™ was developed as an environmental communication platform in November 2006 to include environmental and social initiatives as reflected in Shaw products, operations, and people, and key metrics to measure progress. Shaw’s executive team expanded the meaning and purpose of the Shaw Green Edge™ by redefining the company’s sustainability business platform to encompass and drive business performance, innovation, growth, and productivity. Sustainability fully defines Shaw’s business model as the foundation necessary to position Shaw as the industry leader today and in the future.

The Shaw Green Edge™ Sustainability Business Platform embraces, organizes and drives the company’s business model around three pillars:

- Corporate Governance and Social Responsibility
- Operational and Environmental Excellence
- Designing Unique Products and Services

Shaw is aggressively positioning the company for growth and success today and beyond, fulfilling its commitment to leadership in corporate sustainability in the flooring industry through motivated people, enterprise capabilities, and innovatively designed products that customers value and enjoy each and every day.
Shaw’s creation and implementation of its Growth and Sustainability Council is a successful example of the progress in sustainability that can be realized from focusing talents and capabilities on opportunities that might have gone unrecognized just a few years ago. It’s a vital step in a process that ultimately conserves scarce investment dollars by focusing that financial strength where it will bring the greatest return. Gone are the days when industry could throw money at perceived problems. Problems have a way of changing into opportunities as we investigate possibilities that link growth and sustainability in new and interesting ways.

**TANDUS**

Tandus brand C&A manufactures high-performance modular tile and Powerbond carpeting for the commercial market. Tandus’ ER3 products have secondary backing produced using recycled carpet and the secondary backing of Powerbond® ethos™ cushion is made from plastic film recovered from discarded auto windshields and safety glass. These product lines have been certified to NSF/ANSI 140-2007e, the Sustainable Carpet Assessment Standard.

In the early 90’s, Tandus developed patented technology to “close-loop” recycle post-consumer carpet into recycled content backing for new floor coverings. Tandus takes back any vinyl-backed carpet product, including competitors’; through its active take back program, FLOORE. To date, more than 145 million pounds of reclaimed carpet/waste have been recycled. All vinyl backed carpet, regardless of the manufacturer, is 100% recyclable and the company’s sustainable warranty guarantees that all carpet returned will be recycled in its entirety and that no portion will be land filled, incinerated (including waste-to-energy) or disposed of in any other way.

Tandus’ Retrieve program recovers physical product samples and sample folders from customers in the marketplace. Tandus guarantees that samples and folders returned will be recycled or reused. The company provides packaging and shipping labels. The Retrieve program accepts all product samples and folders from its Monterey, Crossley and C&A brands as well as competitors’ carpet samples of like composition. To-date, 150,000 samples and 85,000 sample folders have been diverted from the landfill.

Tandus’ Green Sample Book is an innovative reinvention of the traditional carpet sample book. It applies the advantages of digital sampling to Tandus’ running line products. Tandus recognizes designers’ need for removable swatches as an important part of the creative process and developed the books to enable it. While the books utilize a feeler swatch for the tactile experience, traditional carpet color swatches have been replaced with High Resolution Digital Simulation (HiRezDS) pads. A HiRezDS paper sample requires 95% fewer resources than producing a carpet sample. And not only does the book weigh less than 50% of a traditional architect folder, but it takes up to 50% less shelf space.

Tandus partnered with Carbonfund.org, a leading non-profit organization dedicated to fighting climate change, to offer its customers the option to purchase products that are carbon-neutral. The company has taken a very measured approach to ensure that its carbon-free product offering is conducted responsibly through a third party certification process. For a nominal cost, customers can
purchase Powerbond® and modular products and have the Greenhouse Gas emissions offset through a registered and creditable program.

Tandus was recognized with the 2008 Society of Plastics Engineers (SPE) GPEC’s “Design for Sustainability” Award for its ethos product. Additionally, the Georgia Chapter of the Air and Waste Management Association (A&WMA) recognized Tandus with its 2008 Company Environmental Award.

UNIVERSAL FIBERS

Throughout 2008, Universal Fibers continued to innovate through the focus of EarthSmart Technology™. The key goal of materials re-use has been [and will continue to be] closely aligned with the mission of Carpet America Recovery Effort [CARE]. EarthSmart Technology™ includes manufacturing processes / equipment, recycled and recyclable products, waste saving systems / facility conservation, and an overall attitude of environmental and social concern on the part of the company and its employees.

Since the innovation of ReFresh Fiber® in 2007, Universal Fibers has worked tirelessly to expand the color options [now over 70] and to significantly increase the volume of post-consumer Nylon-6, 6 carpet used to create the new product. It is encouraging to report that these operational targets for 2008 were met.

In fact, even amidst a climate of economic concern, Universal Fibers continues to invest capital and dedicate key resources to the expansion of Nylon post-consumer carpet-based processing. The company believes in the strategic benefits of these activities… ones that are foundations to a sustainable future. Opportunities plus commitment fuel commercialization.

Universal Fibers, Inc, is a multi-polymer producer of solution-dyed synthetic yarns for commercial, residential, and transportation carpet as well as for industrial uses. It operates manufacturing facilities in Bristol [Virginia], Chonburi [Thailand], and Taicang City [China]. The company is both ISO 9001 and ISO 14001 certified.
APPENDIX 1 Carpet America Recovery Effort (CARE) Survey, 2008

The Carpet America Recovery Effort (CARE), a voluntary initiative to divert post-consumer carpet waste from landfills, has contracted with Weston Solutions, Inc. (WESTON) to estimate the level of carpet recycling achieved in 2008. This survey is designed to help in that effort, and your response is very important to us. In addition, your responses will help identify ways in which CARE can help you make your business better.

One of the reasons that WESTON was contracted to do this work is to preserve the confidentiality of the data you provide. WESTON will not release ANY company-specific data to CARE or any other entity without that company’s permission. Therefore, you can be assured that the answers you provide herein will remain confidential.

Fill out the information requested below regarding quantity of material processed. If precise data is not available, please provide best estimates.

NOTE: Quantitative data should be in tons and for calendar year 2008 only.

1. How many employees does your company employ? ________________

2. Of the total employees that your company employs, what percentage of them are associated with the recycling/recovery effort? ________________

3. Please select the type of company from the list below, based upon the descriptions provided. If your company performs more than one function, check all boxes that apply.

   - Collector – A company that collects used carpeting from the point of generation and transports it to a sorting, processing or waste management facility (e.g. waste-to-energy facility). Note that this only includes collection from the original source of the material, not collection from a sorting or processing facility.

   - Sorting Facility – A facility that separates waste materials (including used carpeting) from a mixed waste stream. The end result of this process is used carpeting that is separated from other materials (typically in baled form).

   - Processor – A company or facility that takes used carpeting (whether handled by a sorting facility or brought directly by a collector) and processes it for use as a feedstock in a manufacturing facility.

   - Manufacturer – A company or facility that utilizes processed carpeting materials and transforms them into other products, or uses them as raw materials in a manufacturing process.
4. Pounds of used carpet handled by your company (i.e. collected, processed, sorted and/or used in manufacturing) in 2008 - please report only material which left your facility or process in 2008 (i.e. did not go into inventory): ____________________________

5. To address changes in inventory, please estimate the number of pounds of used carpeting that was in inventory at your facility(ies) at the beginning of 2008, by fiber type (enter number without commas):

   - N66 ______________________________
   - N6 ______________________________
   - PP ______________________________
   - PET ______________________________
   - Other ____________________________

6. And now the number of pounds of used carpeting in inventory at the end of 2008:

   - N66 ______________________________
   - N6 ______________________________
   - PP ______________________________
   - PET ______________________________
   - Other ____________________________

7. Of the used carpeting material received, provide an estimate of the split between post-consumer (material recovered after being used at a residence or commercial establishment) and post-industrial (scrap material from a manufacturing facility). Indicate responses as a percent of total material handled (total must equal 100%).

   Post-Consumer_____________________
   Post-Industrial____________________

8. Indicate the percentage of post-consumer carpet that you handle by fiber type (must total 100%).

   - N66 ______________________________
   - N6 ______________________________
   - PP ______________________________
   - PET ______________________________
   - Other ______________________________
9. To the extent known, identify the geographic area from which material comes from. Describe the geographic area, or list the states: ____________

10. Indicate the types of facilities to which your company sends material derived from carpeting after any processing, sorting or manufacturing performed at your facility – in other words, what types of facilities do you send material to after it leaves the doors of your facility? Indicate the percentage of your output that goes to each type of facility (if you don’t send any material to a particular type, indicate “0” or leave it blank). If you send material to a facility that performs multiple functions, use the category that represents the most “advanced” level of processing (e.g. if you send material to a facility that sorts, processes and manufactures, count that material in the Manufacturer category). Answers should total to 100%.

   Sorting Facility (%) ________________
   Processor (%) ________________
   Manufacturer (%) ________________
   Cement Kiln (%) ________________
   Waste-to-Energy (%) ________________
   Other (%) ________________

11. To the extent known, please indicate the fraction of the output from your facility that is sent to customers in the U.S. versus customers overseas. Answers should total to 100%.

   US ______________________________
   Mexico __________________________
   Canada __________________________
   Europe __________________________
   Asia ____________________________
   Other/Unknown ____________________

12. If you are a manufacturer, please indicate the end-products produced from used carpeting material at your facility.

   Carpet Padding ____________________
   New Carpet ______________________
   Plastic Pellets ____________________
   Molded or Extruded Plastics _______
   Injection-Molded Plastic Parts ______
   Other (Please specify) ______________
13. If you are a manufacturer producing carpet, please indicate the quantity of post-consumer carpeting used in the manufacturing of carpet backing and face fiber, and estimate the percent increase over 2007:

___________________________________________________________________

14. For the purposes of forecasting trends, please estimate the percentage increase or decrease in quantity of post-consumer carpet you expect to recycle in 2009 when compared with 2008: ______________________

___________________________________________________________________

15. Indicate areas where CARE has provided, or should provide, support that would help your business.

Have Provided:

- Presentations to Local Governments
- Research on Separation Technology
- Research on Processing Equipment
- Facilitate Meetings with Other Carpet Recyclers
- Additional Research on Regional Carpet Recycling Levels
- Other

Should Provide:

- Presentations to Local Governments
- Research on Separation Technology
- Research on Processing Equipment
- Facilitate Meetings with Other Carpet Recyclers
- Additional Research on Regional Carpet Recycling Levels
- Other

16. If you indicated in the question above that CARE has or should provide support in the “Other” category, please describe that type of support:

___________________________________________________________________
Thank you for Participating!

CARE would like to thank you for taking the time to complete the survey. The responses you have provided are essential to the success of CARE.

Please remember - all your information is confidential and will not be shared with anyone!

Established in 2002, CARE is a 501 (C) 3 non-profit organization, Carpet America Recovery Effort (CARE) is a joint industry-government effort to increase the amount of recycling and reuse of post-consumer carpet and reduce the amount of waste carpet going to landfills. CARE was established as a result of a Memorandum of Understanding for Carpet Stewardship (MOU), a national agreement signed by members of the carpet industry, representatives of government agencies at the federal, state and local levels, and non-governmental organizations. CARE is a 501 (C) 3 non-profit organization
CARE Board of Directors, 2008

Paul Ashman - Environmental Recovery Consolidation Services (ERCS)
Steve Bradfield - Shaw Industries Group
Russ DeLozier - Shaw Industries Group
Frank Endrenyi - Mohawk Group Inc.
Matthew Ewadinger - North Carolina Recycling Business Assistance Center
John Glenn - Liaison, U.S. Environmental Protection Agency
Bill Gregory - Milliken & Company
Ron Greitzer - L.A. Fiber Company Inc.
Garth Hickle - Minnesota Pollution Control Agency
Frank Hurd - The Carpet and Rug Institute
Brendan McSheehy, Jr. - Universal Fiber Systems LLC
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Robert Peoples, Ph.D. - ACS Green Chemistry Institute
Bob Pilotti – ECM Plastics, Inc.
Sean Ragiel - CarpetCycle
Fred Williamson - StarNet Commercial Flooring Cooperative Inc

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