

Lessons Learned

The Commonwealth of Massachusetts Carpet Contract Purchasing Experience

CARE's 4th Annual Conference
May 2-4, 2006

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Overview



- ◆ **Why Carpet?**
- ◆ **EPP Purchasing Program**
- ◆ **MA Carpet Contract**
- ◆ **Next Steps**

Why Carpet?

◆ Massachusetts Market:

- Recycling costs competitive with disposal
- Disposal facilities balking at carpet
- Municipal government wants solutions to increasing disposal costs *(sign from municipal transfer station in Massachusetts)*



Why Carpet?

- **State Policy:**

- **Regulations: Carpet disposal ban “when, not if”**

- **Fulfill responsibilities as an MOU signatory**

- **Executive Order: State Sustainability Program**

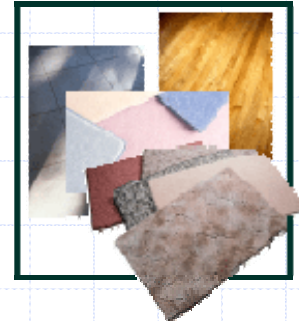
- **State Agencies “Walk the walk” -- including environmentally preferable purchasing**

Massachusetts EPP Program



- Partnership between environmental and purchasing agencies (**Operational Services Division – OSD**) since 1994
- State recycled / EPP purchases increased from \$2.8 in FY92 to an estimated \$140 million in FY05
- Contracts include environmental specifications: recycled content, energy efficiency, toxics use reduction, water conservation and waste prevention
- Outreach: Annual vendor conference, conducts workshops, helps other states, and maintains a website

#FAC25 Carpet Contract History



◆ Research (2000)

- Examined other states' procurement efforts
- Reviewed carpet industry/third party data
- Checked federal guidelines (EPA's CPGs and FTC)

◆ Process (2001)

- Prior to bid – input from carpet manufacturers
- Based bid criteria on this direct feedback

◆ Strategy (2002)

- Allowed for flexibility in meeting specifications
- Award made to manufacturers - not local vendors

MA Carpet Contract: Post-Consumer Recycled Content Specifications

- **No longer allowed to sell zero post-consumer recycled-content carpet**
- **Must contain highest %**
- **Modular Tile = 10%**
- **Broadloom = 10% (Goal:15%)**
- **FTC Guidelines**
- **Option for Reusable / Reclaimed**

MA Carpet Contract: Post-Consumer Recycled Content Roles

◆ Manufacturers

- Add or delete vendors who sell their products
- Provide recycled-content info to vendors

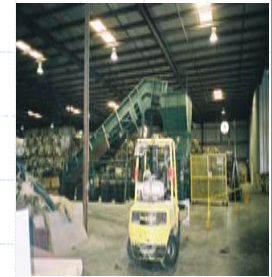
◆ Vendors:

- Contact with purchasers
- Listed on state contract

MA Carpet Contract: Recycling Specifications:

- ◆ **Recycle discarded carpet when selling carpet, whether it is your brand or not**
- ◆ **No carpet will be landfilled or WTE**
 - **Exceptions for contaminated carpet (e.g. asbestos)**
- ◆ **Recycling into any product is acceptable**

MA Carpet Contract: Recycling Requirements **Roles**



Manufacturers

- ◆ **Certify to OSD that their vendors provide a carpet recycling program**
- ◆ **Ensure vendor compliance**
- ◆ **Manufacturers and vendors sign partnership agreement**

MA Carpet Contract: Recycling Requirements **Roles**

◆ **Vendors**

- Arrange for recycling
- Provide OSD with reporting on recycling
 - ◆ Manufacturer name
 - ◆ Post-consumer recycled-content
 - ◆ Quantity sold
 - ◆ Estimated weight
 - ◆ Type of material being replaced
 - ◆ Old carpet removed & recycled (cubic yards/weight)
 - ◆ Recycling vendor and cost

Initial Challenges to MA Contract Success: Disconnect on Recycling



◆ Programs

- Manufacturers – “programs are in place”
- Vendors – “infrastructure not available locally”



◆ Cost

- Manufacturers – “recycling cost competitive”
- Vendors - “can’t sell it to customers – too costly”

Remedial Measures: Recycling

- ◆ **Summer/Fall 2003:** OSD researches local recycling and carpet reuse options and negotiates competitive pricing for use by FAC25 contractors
- ◆ **Fall 2003:** OSD hosts meeting of manufacturers and vendors to brainstorm issues and solutions and present local recycling options
- ◆ **Spring 2004:** OSD sends letter to awarded manufacturers requesting funding assistance and/or education materials, reiterates issues at CARE meeting
- ◆ **Spring/Summer 2005:** Again reiterates concerns at CARE Annual Meeting and Board of Directors

What's Still Not Working

- ◆ Recorded carpet sales are low: \$1M for FY05
- ◆ Recycled-content:
 - Not meeting 15% goal for broadloom
 - Need more offerings!
 - Manufacturer to vendor communication insufficient

What's Still Not Working?

- ◆ **Recycling (gotten better, still needs improvement):**
 - **Compliance spotty**
 - **Reports are incomplete, but getting better**
 - **Manufacturer to vendor communication insufficient regarding recycling requirements**

Next Steps:

What Massachusetts Needs

- ◆ **Compliance with MA contract**
 - **Recycled-Content Products:**
 - ◆ **FTC guidelines**
 - ◆ **Recycled content:**
 - **Not meeting 15% goal for broadloom--
Need more offerings!**
 - ◆ **Improve communication from manufacturers to Commonwealth and vendors regarding offerings (e.g. recycled-content percentage)**

Next Steps: What Massachusetts Needs

Recycling Education --

◆ Manufacturers to their vendors

- Recycling Required
- Recycling Vendors
- How to recycle

◆ Vendors

- Consistent representation to customers in job quotes

Education: Recycled-content products



Education: Recycling

◆ Educational materials for customers:

- Environmental and economic benefits of recycling – companies recycling carpet in MA



Allegheny Contract

Serving New England for Three Generations