Product Stewardship and Carpet

The Next Step

Carpet America Recovery Effort

April 26, 2010

Scott Cassel, Executive Director/Founder
Product Stewardship Institute, Inc.
Who is the Product Stewardship Institute?

Non-Profit, based in Boston, founded in 2000

Members: 45 States (including GA) + 150 Local government partners: Corporate, Organizational, Academic, Non-US

Board of Directors: 7 states, 4 local agencies

States: NC, ME, CT, FL, IA, IL, NY

Locals: King County (WA), Chittenden County (VT), Metropolitan government (OR), Palo Alto (CA)
Who is the Product Stewardship Institute?

Mission: Reduce the health and environmental impacts of consumer products throughout a product’s entire lifecycle.

Works with all stakeholders:
- Federal, state & local governments
- Manufacturers & retailers
- Recyclers and waste management sector
- Environmental groups
Meet the PSI Staff

• Scott Cassel
  ➢ Executive Director and Founder

• Jennifer Nash
  ➢ Director of Policy and Programs

• Sierra Fletcher
  ➢ Senior Associate - Policy and Programs

• Lisa Gould
  ➢ Executive Assistant

• Jennifer Sweatt
  ➢ Business Manager
Why was the Product Stewardship Institute Created?

Unified voice State and Local Governments
Fiscal relief for government on waste issues
Objective data for decision-making
Forum for collaboration with industry
Nationally coordinated systems/harmonized regulations
What is product stewardship?

Product Stewardship" is a principle that directs all those involved in the lifecycle of a product to take red responsibility for reducing health and environmental acts that result from the production, use, and end-of-life management of the product.
principles of Product Stewardship

- Cost internalization
- Shared responsibility
  - manufacturers have greatest role to play
- Lifecycle costs
- Performance goals
- Flexibility for producers

Endorsements: NLC, ECOS, SWANA, RPA, NWPSC, NERC, NAHMMA, GP (Australia), CRRA, CRA, etc.

Basic building blocks of product stewardship programs

Developed by RSI in 2001
Environmental Benefits of Product Stewardship

Product design changes

Greater environmental protection

- Reduce release of toxic substances in mfr, disposal
- Resource recovery (source reduction, reuse, recycling)
- Reduce GHG emissions
Economic Benefits of Product Stewardship

Direct cost savings
As manufacturers take on costs cities and towns are now paying to collect, transport, and recycle used products.

Potential job creation
Recycling creates 10 times more jobs than disposal.

Expanded service
Consumers enjoy convenient recycling for more products.
# Potential Benefits for US

<table>
<thead>
<tr>
<th>Item</th>
<th>Benefits (in $)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electronics</td>
<td>$658 million</td>
</tr>
<tr>
<td>Paint</td>
<td>$609 million</td>
</tr>
<tr>
<td>Insecticides</td>
<td>$389 million</td>
</tr>
<tr>
<td>Batteries (primary)</td>
<td>$247 million</td>
</tr>
<tr>
<td>Batteries (secondary)</td>
<td>$74 million</td>
</tr>
<tr>
<td>Medical sharps (home)</td>
<td>$198 million</td>
</tr>
<tr>
<td>Incandescent lamps (household)</td>
<td>$87 million</td>
</tr>
<tr>
<td>Weights</td>
<td>$40 million</td>
</tr>
<tr>
<td>Thermometers (mercury)</td>
<td>$46 million</td>
</tr>
</tbody>
</table>

**Total Maximum Benefits for US = $2.35 billion/yr**

Based on an estimated US population of 309,101,167 (U.S. Census Bureau, April 2021).
Building Capacity for Product Stewardship: State by State
PSI State Members – 2010
Building Capacity for Product Stewardship: Statute by Statute
<table>
<thead>
<tr>
<th>Product</th>
<th>No. of Laws</th>
<th>States with Product Stewardship Laws</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electronics</td>
<td>20*</td>
<td>CT, HI, IL, IN, ME, MD, MI, MN, MO, NC, NJ, OR, RI, TX, VA, VT, WA, WV, WI</td>
</tr>
<tr>
<td>Switches</td>
<td>13</td>
<td>AR, IL, IN, IA, ME, MD, MA, NJ, NC, RI, SC, UT, WI</td>
</tr>
<tr>
<td>Batteries</td>
<td>7</td>
<td>FL, IA, ME, MD, MN, NJ, VT</td>
</tr>
<tr>
<td>Moststats (mercury)</td>
<td>7</td>
<td>CA, IA, ME, MT, NH, PA, VT</td>
</tr>
<tr>
<td>Rescent Lamps</td>
<td>2</td>
<td>ME, WA</td>
</tr>
<tr>
<td>Computer Work</td>
<td>1</td>
<td>OR</td>
</tr>
<tr>
<td>Container</td>
<td>1</td>
<td>CA</td>
</tr>
<tr>
<td>Mercury Containers</td>
<td>1</td>
<td>ME</td>
</tr>
</tbody>
</table>
Building Capacity for Product Stewardship: Local Government by Local Government
Pennsylvania

* Formal Councils Created
PSI Projects

- Pharmaceuticals
- Medical sharps
- Fluorescent lamps
- Paint
- Mercury thermostats
- Gas cylinders
- Telephone books
- Electronics

- Radioactive devices
- Tires
- Batteries
- Beverage containers
- Pesticides
- Packaging
- Motor oil
LEM: Excessive Waste

of paint sales becomes leftover
6 = 75 million gallons in the U.S.)
$10 million dollars/yr mgt cost
cost: $8/liquid gallon)

Consensus producer-financed legislation
Oregon demonstration state (model)
but to 8 other states: VT, CT, CA, FL, IA,
WA, MN
but nationally

Tangible Benefit: About $6.0 million PER
PER in direct savings or service benefit
Oregon.
PSI Role in Paint Dialogue

Research/technical competency
Forum for multi-stakeholder dialogue
Design and implement projects
Clearinghouse for paint product stewardship policies and programs
Revised Paint MOU Project Portfolio

1. Source Reduction Survey/Pilot
2. Reuse Manual
3. Infrastructure Report
4. Recycled Paint Standard (Green Seal)
5. Recycled Paint Marketing
7. Sustainable Financing Options
8. Lifecycle Assessment and Cost/Benefit Analysis
Potential Rollout to Other States

- Oregon (2009)
- California (2010)
- Washington (2011)
- Minnesota
- Iowa
- North Carolina
- Florida
Key elements of each paint bill

Manufacturer (or stewardship organization, Paint Care) sets up convenient collection system

Pay an “architectural paint stewardship assessment” for each container of paint sold in state

- Fee covers cost to manage leftover paint
- Fee paid by manufacturer (into Paint Care), passed to retailer, passed to consumer

Anti-trust provision to allow cost passed to consumer

Uniformity of assessment/funding system

Level playing field (don’t participate, can’t sell products)
Key elements of each paint bill

Manufacturer submits plan to state for approval
State approves manufacturer plan
State reports periodically to legislature
Promote reduction and reuse of leftover paint
No consumer end of life fee
Administrative fee paid to state agency for oversight/enforcement.
**PROBLEM: Toxic Mercury**

Expansion of Thermostat Recycling Corp. program:
- chain wholesalers, heating and cooling contractors
- HHW facilities, retailers

**PSI Model State Legislation**

Common methodology for measuring performance:

**EPR legislation 2010** (IL, MA, RI, NY and others)

**Model recycling program: Bridgeport, CT**
Fluorescent Lamps

PROBLEM: Toxic Mercury

Commercial Lamps: Consensus on need for laws that ban disposal of lamps and greater enforcement of existing laws

Household Lamps:
- Ace Hardware pilot in four states showed retail collection works!
- Home Depot and Lowe’s collections
- EPR legislation introduced in eight states (ME and WA)

Reduce toxicity of lamps, LEDs
Pharmaceuticals

PROBLEM: Environmental Impacts, Accidental Poisonings, Drug Abuse

Consensus on need to change Controlled Substances Act (Congressional legislation)
  • No Flushing
  • Reduce cost of take-back program

Narrowed/framed issues for debate
  • Take-back vs. garbage disposal

Consensus on need for source reduction

EPR legislation introduced (WA, MD, MN, FL, OR)
AEM: Injury during disposal

Lacked consensus on need for Demonstration Project in Massachusetts to show that sharps can be collected and disposed of safely.

Prepared detailed Work Plan for MA model Demonstration Project to be financed by sharps manufacturers and pharmaceutical companies. The plan outlined roles for all stakeholders.

Assembly Bill 1636 (CA) – requires pharmaceutical companies to report actions to promote safe needle disposal. Expect additional state bills.
Problem: Toxic Materials

1 state electronics laws

Manufacturer and retailer take-back programs in response to dialogue (e.g. Staples, Best Buy, HP, Dell, LG, etc.)

Federal export legislation + Federal waste legislation

Harmonization: performance goals other elements
PROBLEM: Unnecessary Waste

Voluntary industry guidelines developed:
- Opt out
- Recycling
- Sustainable production

90% of publishers now with opt out program

Industry website established

Discussions to ensure performance

Progress fueled by legislation

Current discussions with Catalogue Cho
Gas Cylinders

LEM: Risk of Explosion During Disposal

This work on gas cylinders

Table and Non-Refillable Cylinders (2003)

SUE: Increase acceptance of cylinders by metal recyclers by reducing or eliminating

issues (e.g., safety concerns).

Propane Propane Bottle Recycler: Yellowstone National Park; now 4 units in parks

Being pilot project for national roll-out

2009 workshop sponsored by Worthington (under)
Key Issues for Carpet Industry

Sustainable funding mechanism w/MOU
Federal vs. model state legislation – uniformity
Visible vs. invisible fee (consumer at retail)
Collection costs/payments to collectors
Household vs. commercial/institutional
Performance goals
Recycling standards
Project outreach and education
Why Manufacturers Work With PSI

Opportunity for unified national program

Objective forum – fair, trusted (not “neutral”)

Understand government: 45 states/150 local

Understand all stakeholder interests

- Shared responsibility (negotiate roles)

Research, facilitation, project management

Knowledge of product issues

Lifecycle approach

Results → agreements
Manufacturers’ Transformative Process

- “There is no problem”
- “Increase government programs”
- “I’m OK w/visible fee (gov’t made us do it)”
- “We take responsibility to set up program”
- “Performance is not my responsibility”
Framing the Debate

You Can’t Pull a Flower to Make it Grow

Gilles Goddard, Director General
La Société de gestion des huiles usagées (SOGHU)
Producer Responsibility Organization for Used Oil Recycling
Voluntary Initiatives

Manufacturers
- Rechargeable Battery Recycling Corporation
- Electronics manufacturers
- Mostat Recycling Corporation
- Of Life Vehicle Solutions Corporation

Recyclers
- Staples, Office Max, Office Depot – Computers,
- Tires, cell phones, toner cartridges...
- Home Depot and Lowe’s – CFLs, etc.
- Buy – Electronics, etc.
Partnerships with PSI

Sustaining Partner (Call2Recycle, American Coatings Association, King Pharmaceuticals, Waste Management, Covanta, Stericycle, etc.)

Corporate Partner (Pfizer, Retail Industry Leaders Association, Clean Harbors, etc.)
• Product-specific dialogues

• Member/Partner Update Calls (monthly briefings)

• Networking Conference Calls (12/year)

• Product Stewardship Updates (26/year)

• Newsletter (quarterly)

• Annual Product Stewardship Forum

• Website – product information

• 12 product list serves
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