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# VPS Program Quarter 1 2018 Review

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## Q1 2018 VPS Summary

June 1, 2018



# Agenda

- Program Update
- Quarterly Overview of Results
- Q2 2018 Forecast
- Financials



# VPS Program Update

- 48 CSEs participate in the VPS Program in 2018
  - 31 CSEs requested funds in Q1
  - 37 CSEs requested funds in Q4
  
- End-market issues in the marketplace persist
  - Limited outlets for all fiber types
  - N66 is only fiber type in demand
  - Processors have decreased demand
  - Pad prices inconsistent
  
- AUPs are currently being conducted on 3 CSEs
  
- All CSEs that requested funds are CARE members in good standing
  
- Encouraging news from March Reports



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# VPS Summary Results



# Q1 2018 Summary Results

- 31 CSEs Requested Funds for Q1 2018
  - 48 CSEs participate in program (65% response rate)
- Output Eligible for Funding: 27,305,716 lbs.
  - Total Output: 42,778,192 lbs.
    - Landfilled: 8,728,909 lbs.
    - Ending Inventory: 9,104,247
- Total \$ Disbursed to CSEs: \$489,289
  - One CSE reached cap limit
- Total Q1 Payout(including admin expenses): \$510,229

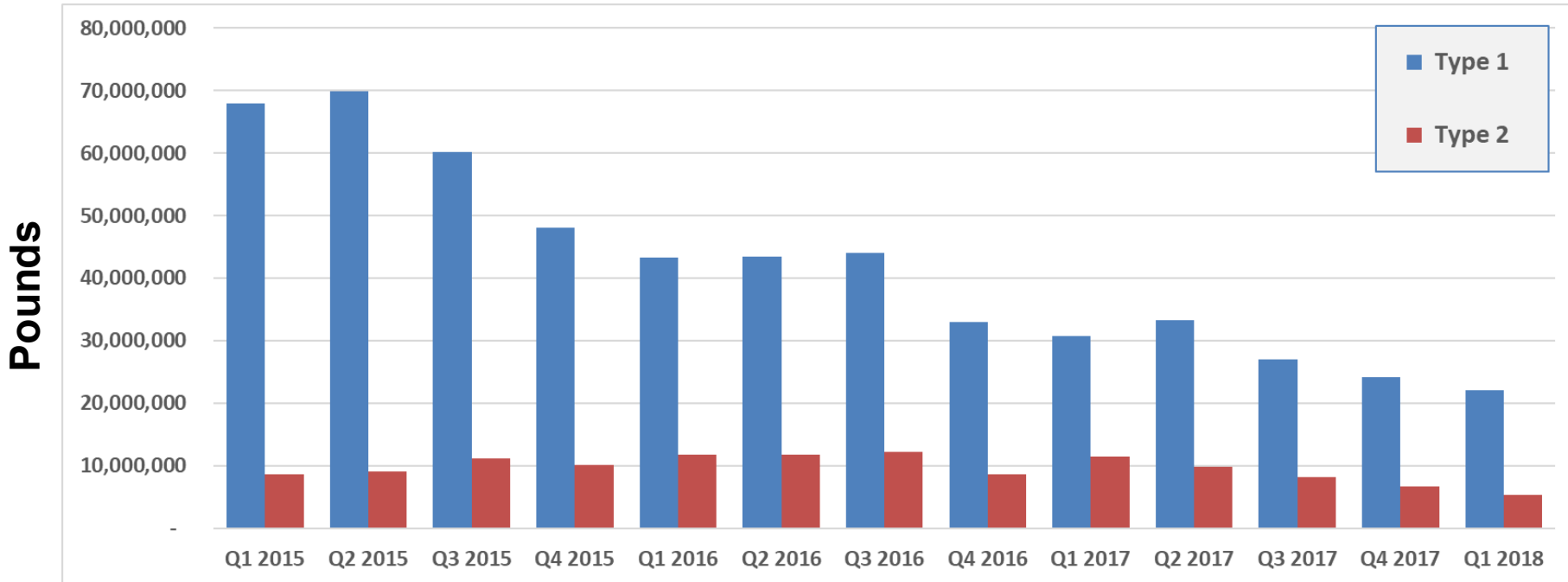


# VPS Fund Requests Per Month

CSE Reports Per Month	
2017	
April	39
May	35
June	43
July	32
August	34
September	27
October	26
November	29
December	31
2018	
January	25
February	24
March	23



# VPS Q1 Output Destinations (lbs.)



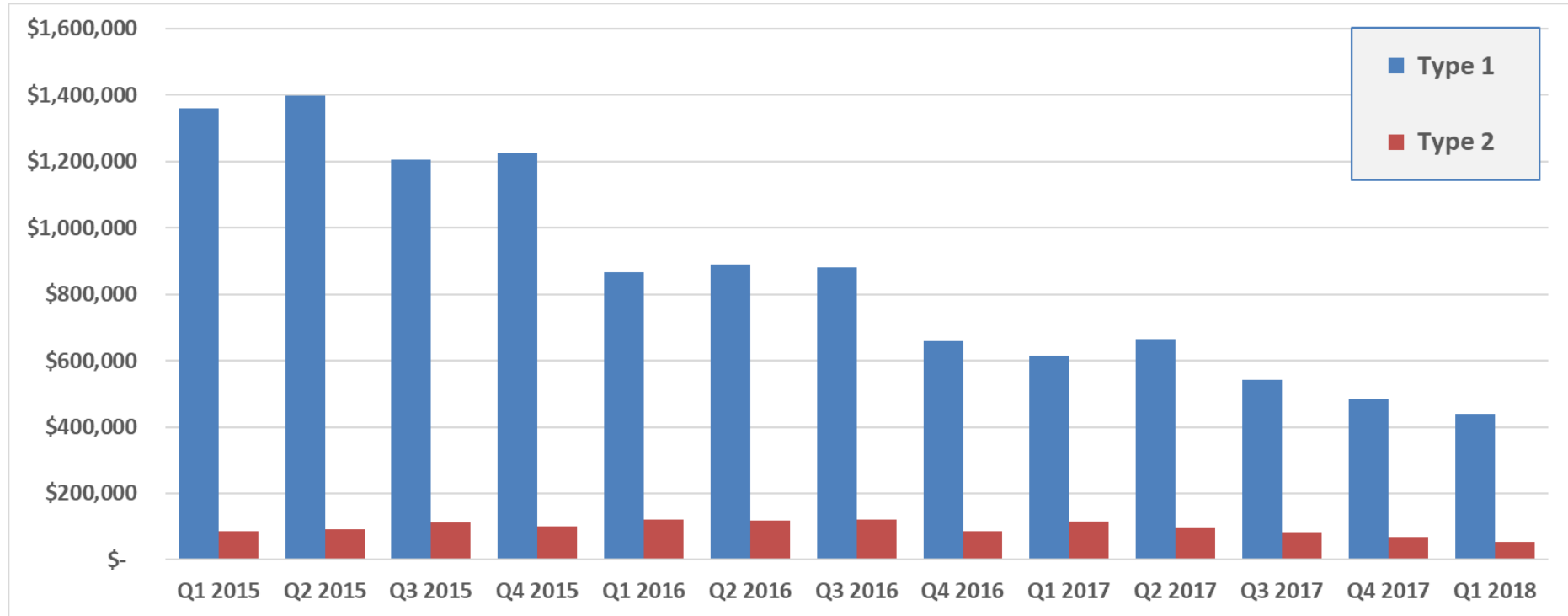
# VPS Q1 Output Destinations (lbs.)

Pounds of Output			
	Q4 2017	Q1 2018	% +/- (Q4v.Q1)
<b>Broadloom Re-Used (\$.02)</b>	179,295	23,693	-87%
<b>Carpet Tile Re-used (\$.02)</b>	403,873	412,236	2%
<b>Shipped Internationally (\$.02)</b>	32,527	-	-100%
<b>Shipped inside U.S. (\$.02)</b>	23,589,810	21,582,393	-9%
<b>Waste-to-Energy (\$.01)</b>	3,824,790	3,132,066	-18%
<b>Pyrolysis (\$.01)</b>	-	-	0%
<b>Cement Kiln (\$.01)</b>	1,562,958	1,199,224	-23%
<b>CAAF (\$.01)</b>	1,357,384	956,104	-30%
<b>Total</b>	<b>30,950,637</b>	<b>27,305,716</b>	<b>-12%</b>





# VPS Q1 Output (\$s)



# VPS Q1 Output (\$s)

Output in \$s			
	Q4 2017	Q1 2018	% +/- (Q4v.Q1)
<b>Broadloom Re-Used (\$.02)</b>	\$ 3,586	\$ 474	-87%
<b>Carpet Tiles Re-used (\$.02)</b>	\$ 8,077	\$ 8,245	2%
<b>Shipped Internationally (\$.02)</b>	\$ 651	\$ -	-100%
<b>Shipped inside U.S. (\$.02)</b>	\$ 471,796	\$ 431,648	-9%
<b>Waste-to-Energy (\$.01)</b>	\$ 38,248	\$ 31,321	-18%
<b>Pyrolysis (\$.01)</b>	\$ -	\$ -	0%
<b>Cement Kiln (\$.01)</b>	\$ 15,630	\$ 11,992	-23%
<b>CAAF (\$.01)</b>	\$ 13,574	\$ 9,561	-30%
<b>Total Uncapped</b>	<b>\$ 551,561</b>	<b>\$ 493,240</b>	<b>-11%</b>
<b>Cap Correction</b>	\$ (8,285)	\$ (7,951)	
<b>Overpayment Correction</b>			
<b>Grand Total Payout for Total</b>	<b>\$ 543,276</b>	<b>\$ 485,290</b>	<b>-11%</b>

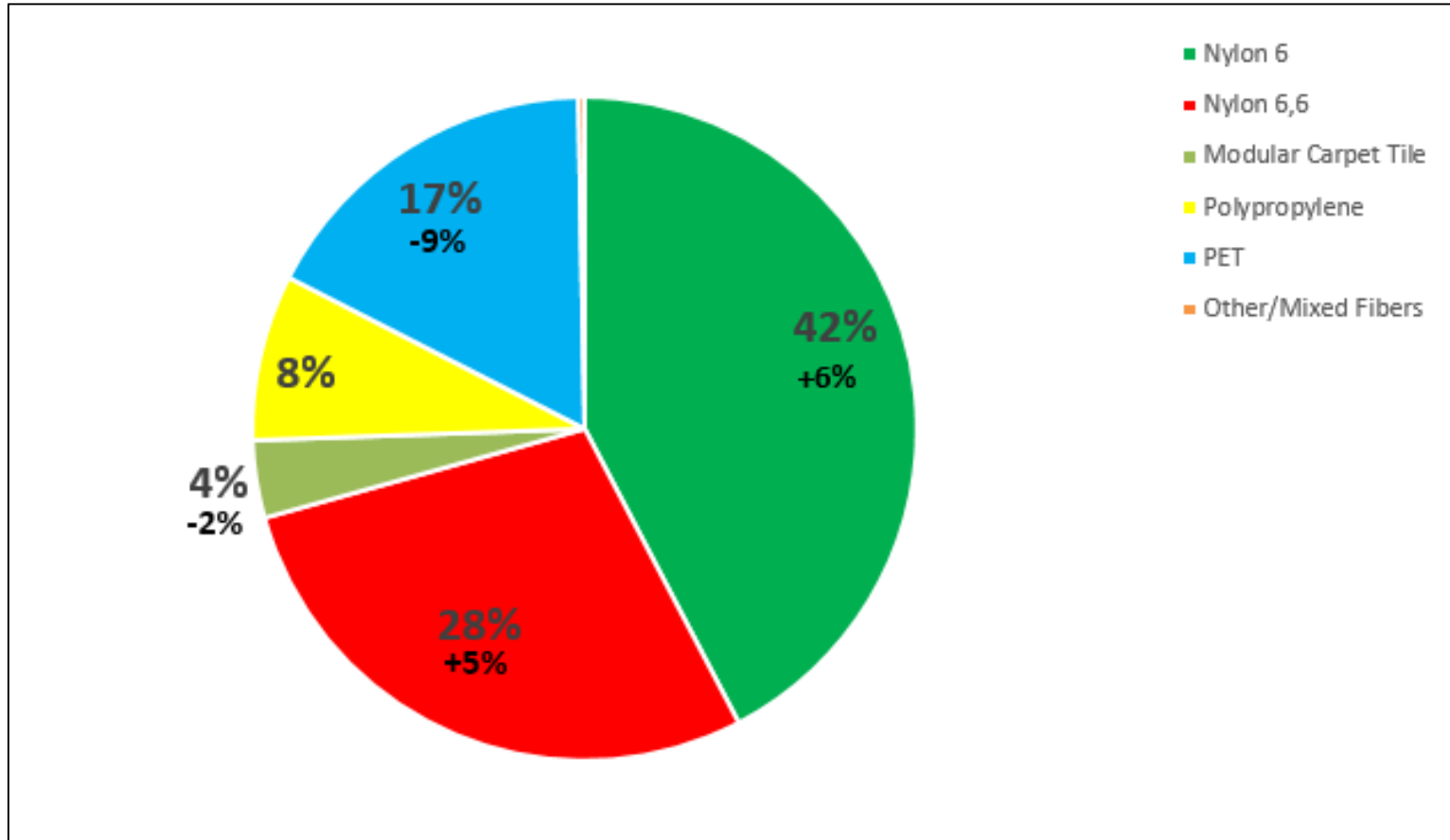


# VPS Output Per Month

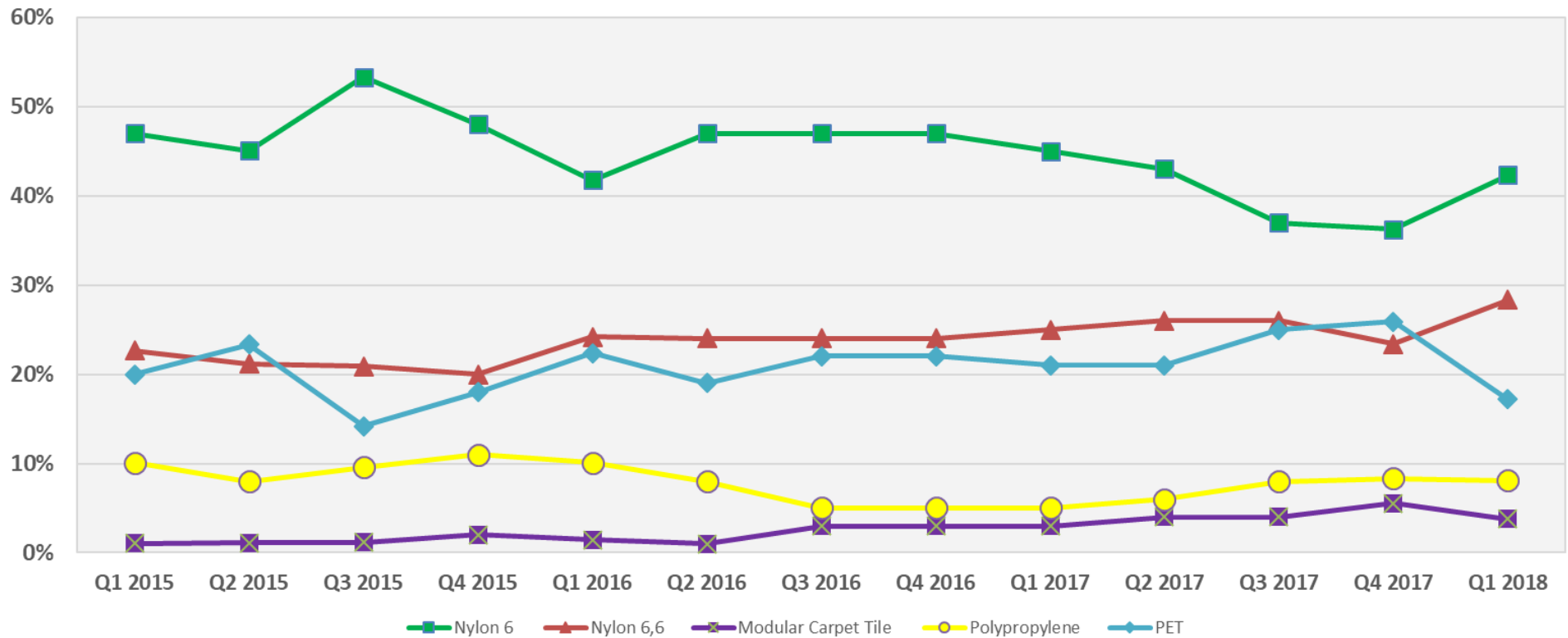
<b>Lbs.</b>	
<b>2017</b>	
<b>June</b>	14,468,649
<b>July</b>	11,990,200
<b>August</b>	12,983,532
<b>September</b>	10,339,006
<b>October</b>	12,094,341
<b>November</b>	10,021,546
<b>December</b>	8,834,750
<b>2018</b>	
<b>January</b>	9,784,309
<b>February</b>	7,276,344
<b>March</b>	10,245,063



# Face Fiber Breakdown of Sorted Output



# Face Fiber Breakdown % - Shipped and Sold

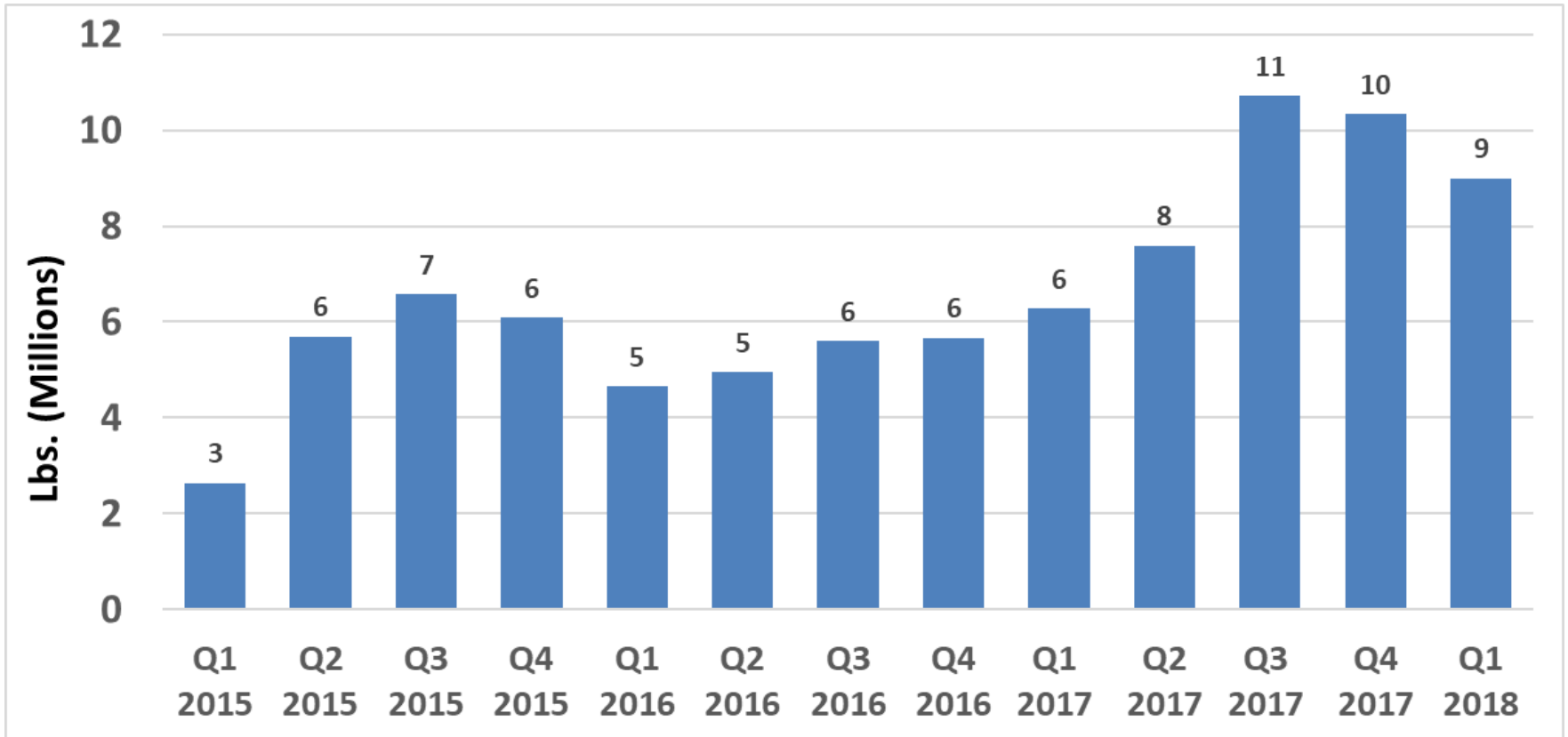


# Q1 Face Fiber Breakdown(%)

Face Fiber Breakdown - Shipped and Sold		
	Q4 2017	Q1 2018
Nylon 6	36%	42%
Nylon 6,6	23%	28%
Modular Carpet Tile	6%	4%
Polypropylene	8%	8%
PET	26%	17%
Other/Mixed Fibers	1%	0%



# Inventory Levels



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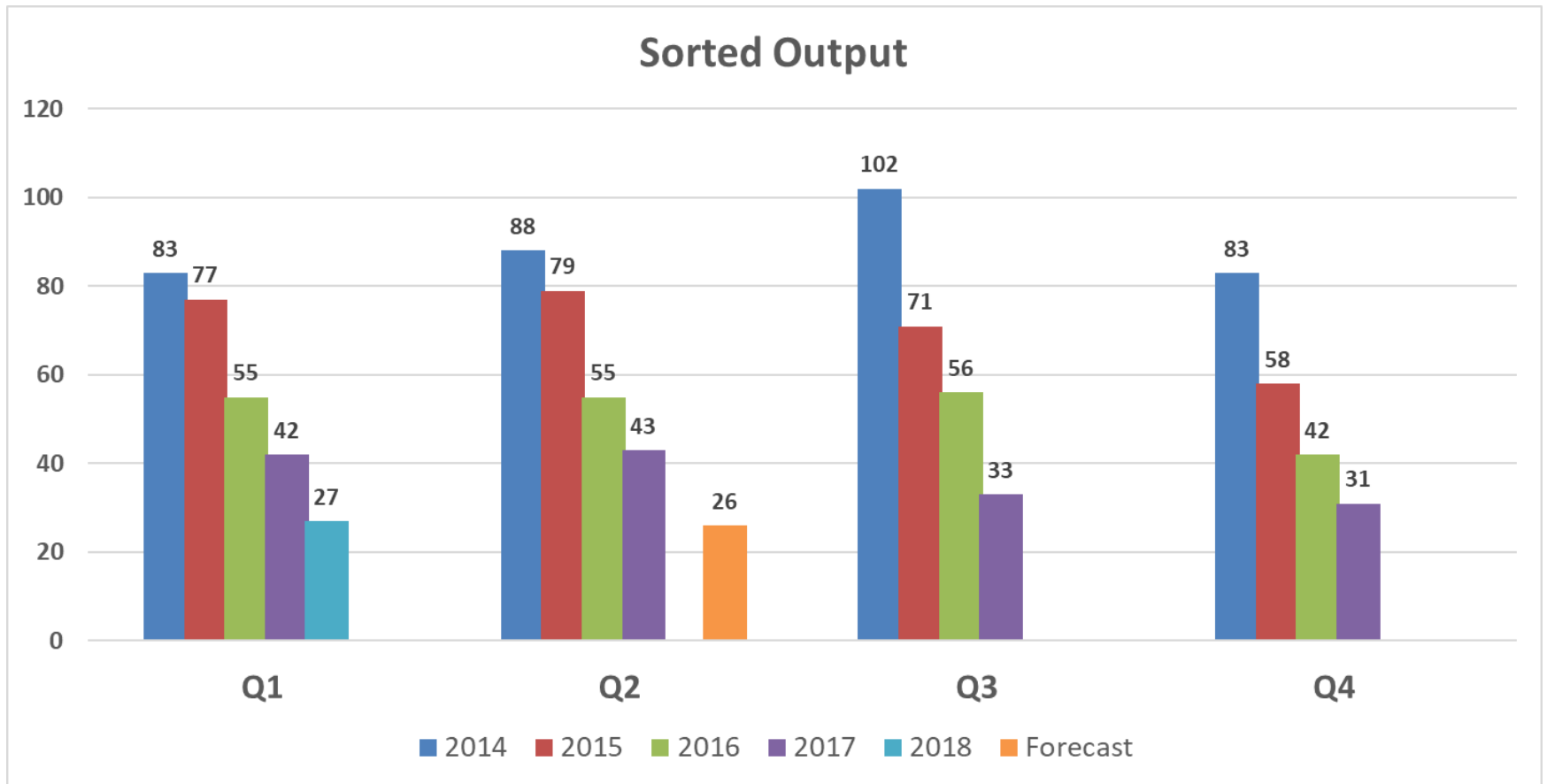
# VPS Q2 2018 Forecast



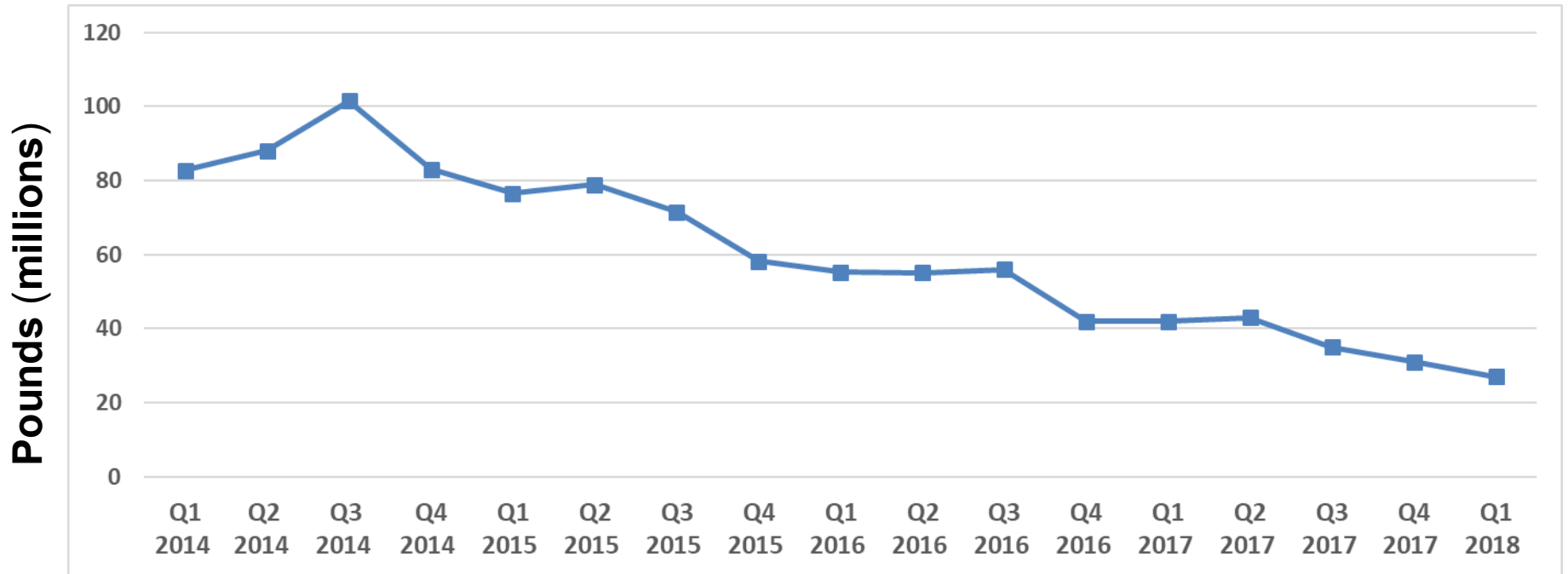


# Results and Forecasts

Pounds (millions)



# Sorted Output Trend



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# VPS Financials



# VPS AUP Tracking

VPS CSE AUP Tracking			
	Selected	Completed	Note
Q1 2015	3	3	
Q2 2015	3	3	
Q3 2015	3	3	1 finding: Overpayment of \$49K to be paid back to VPS program in instalments.
Q4 2015	3	3	
Q1 2016	3	3	
Q2 2016	3	3	
Q3 2016	3	3	
Q4 2016	3	3	
Q1 2017	3	3	
Q2 2017	3	3	
Q3 2017	3	3	
Q4 2017	3	3	
Q1 2018	3		Will be completed soon

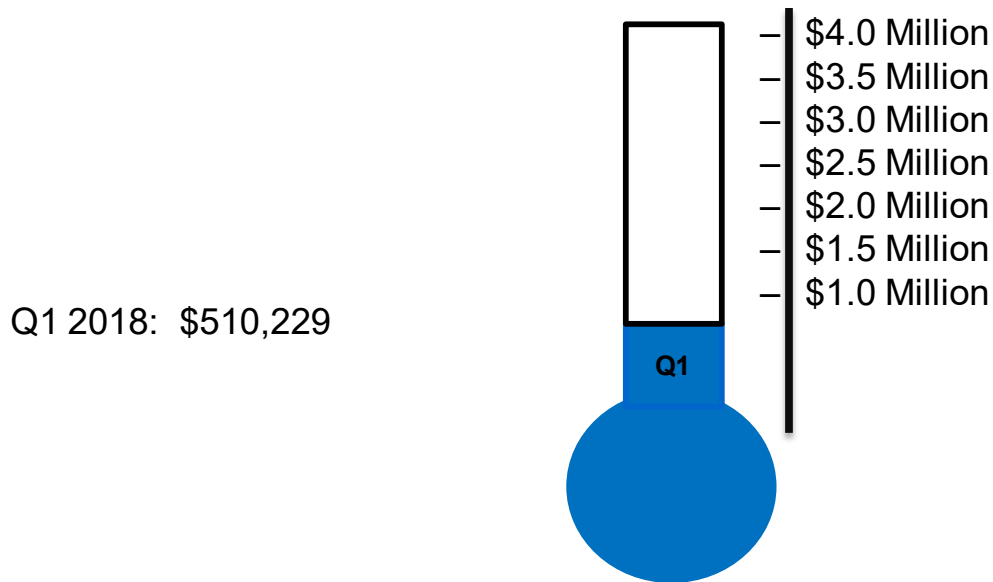


# Accounting Details for Quarter

<b>Payouts by Month</b>		
<b>January</b>	<b>\$</b>	<b>170,000</b>
<b>February</b>	<b>\$</b>	<b>138,000</b>
<b>March</b>	<b>\$</b>	<b>181,289</b>
<b>Q1 Totals</b>	<b>\$</b>	<b>489,289</b>
<b>Admin</b>	<b>\$</b>	<b>20,940</b>
<b>Total</b>	<b>\$</b>	<b>510,229</b>



# VPS Payout vs. Budget



**~\$950K remaining from 2017 that is rolled over into 2018**



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# End of Review

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