



June 2010

OTS NEWS

An Ontario Tire Stewardship Publication

Executive Director's Message

"All's well that ends well."

Ever since the Minister's approval of the program in April 2009, we have faced many challenges - a short implementation timeline, registering and tracking our immensely diverse stakeholders, wild predictions of chaos, and a launch date during the busiest time of the year for the tire business.

Yet here we are, on the other side of the launch celebrating our successes. Tires are moving smoothly, we're exceeding our diversion targets, cheques to Collectors (all 5500+ of them), Haulers and Processors are going out the door, and the RPMs are finally coming onboard. Processors are investing in Ontario, and most importantly, we are all getting along!

There's still plenty of road ahead, and when we take a big step back, we can appreciate that the real work of OTS is just beginning. Nevertheless, we've reached an important point that will serve to anchor us going forward. When it comes to learning how to work together, we've found our stride, and there's not a scrap tire in the province that can resist that.

- Andrew Horsman

Me
OTS NEWS

★ Tire Derived Products: Thriving in Ontario

OTS's strategic objective is to develop high-value markets for 100% of the products made from Ontario's scrap tires. In the past 6 weeks OTS has taken another giant step towards this goal by launching the registration and claims filing for Recycled Product Manufacturers (RPMs).

RPMs are companies that take Tire-Derived Products (TDPs) like 8 mesh or 20 mesh crumb rubber and manufacture them into finished products that get used in homes, businesses, cities and factories all around us. These products range from rubber sidewalk pavers like those featured in "Market Watch," to rubber components under the hood of your car, to shingles that look like cedar shakes but last 50+ years (30 years longer than traditional asphalt shingles).

If you're an apartment dweller with noisy upstairs neighbours, you might sleep easier with the help of a floor underlayment made from recycled rubber. And if your little one takes a tumble off the monkey bars of a playground resting on rubber tiles, you can take comfort knowing they've been engineered to cushion falls.

All of these innovative products can be, and are, manufactured right here in Ontario, and OTS is very excited to be welcoming the RPMs to the program. Promoting finished products helps Ontarians understand the benefits that recycled rubber brings to everyday living. This was extremely evident at the 2010 Green Living



Andrew Horsman of OTS shows off some innovative recycled tire products to Ontario Premier, The Honourable Dalton McGuinty at the 2010 Green Living Show

Show held this April in Toronto, where OTS shared a booth with two other provincial stewardship groups, Stewardship Ontario (SO) and Ontario Electronic Stewardship (OES) – influential organizations that play an instrumental role in encouraging Ontarians to return waste paint, batteries and electronics for responsible recycling.

Thanks to the high collection rates being achieved by our partners, OTS will play an increasingly important part in bringing high-performing products to market!

◦ This Month's Headlines ◦

[Meet the OTS Operations Centre](#)

Keeping OTS running smoothly.

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[Profile: Liberty Tire Recycling Canada](#)

NA's largest tire processor is growing in Ontario.

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[Eco-Flex Grows the Market for TDPs](#)

Expanding the market for TDPs.

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We can learn from the wisdom of experience.

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Inside Track



Christina Lima – OTS Operations Centre

Introducing Christina

My role is Supervisor, of the OTS Operations Centre. I'm responsible for day-to-day operations, which include managing front-line staff and acting as the main point of contact for Stewards, Collectors, Haulers, Processors, Recycled Product Manufacturers and the general public.

The Operations Centre consists of 20 team members. This includes Call Centre staff who handle incoming inquiries and process applications, Control Tower staff who manage tire flow, Revenue staff who process Tire Stewardship Fees, and Claims staff who process incentive claims.

My role also entails supervising day-to-day work like hiring, scheduling and training staff, managing payroll and expenses, and making sure project deadlines are met. In addition, I contribute my front-line view of our operations to support OTS management through weekly status reports, trend analysis, progress meetings, and input into Board meetings.

I'm currently in the process of managing OTS to be compliant with ISO 9001 quality management standards. The end result? Consistent, high quality service to all program stakeholders.

Tips and Suggestions:

- Our turnaround for inquiries is 24 hours, so visiting www.OntarioTS.ca may save you time. Experience tells us that 80% of the calls we receive can be answered through information on the website.
- To correct or update your postal code and/or legal business name, complete and submit a new application (available on our website). A correct postal code and legal name is essential for ensuring correct payment. To review the OTS business information you have provided, visit the "Find an OTS Participant" page on www.OntarioTS.ca.
- Once you have established a User Name and Password on the OTS website, record it and have it available the next time you file a claim. If you need to set up a new User Name and Password, simply return to our website.
- Key dates and deadlines for claim submissions are available online and through this newsletter.
- OTS team members are available 8:30AM - 5:00PM, Mondays to Fridays. Please have your registration number ready when you call.

Our team members strive to provide high quality service and will provide you with as much support as we can. We recognize the importance of maintaining a solid relationship, so are looking forward to working more closely with you over the following months and years to come.



Eco-Flex Expands the Market for TDPs—Pg 3

Zero-to-Sixty

June 30th 2010: Closing day for Collectors to submit Claims for the January 2010-March 2010 period

June 30th 2010: Closing day for Haulers to submit Claims for the March 2010 period

June 30th 2010: Closing day for Processors to submit Claims for the March 2010 period

June 30th 2010: Closing day for Stewards to submit May 2010 TSF Remittance Reports and payment

July 1st 2010: Opening day for Collectors to submit Claims for the January 2010-March 2010 period

July 31st 2010: Closing day for Haulers to submit Claims for the April 2010 period

July 31st 2010: Closing day for Processors to submit Claims for the April 2010 period

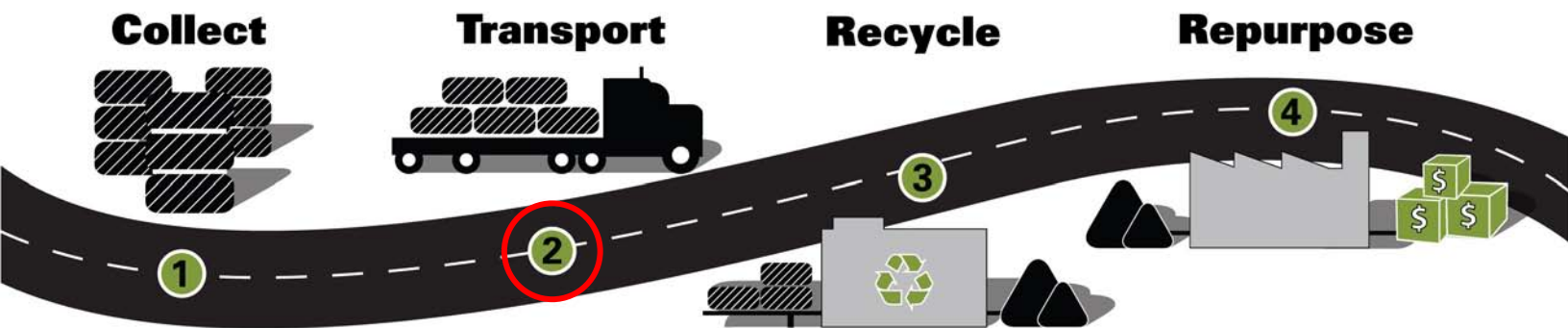
July 31st 2010: Closing day for Stewards to submit June 2010 TSF Remittance Reports and payment

Did You Know?

Rubber mulch costs 65% less than wood mulch over a five-year performance period.

Source: Liberty Tire Recycling





Stewardship in Action

North America's Largest Tire Recycler Expands its Hauling Operations in Ontario

The landscape in the collection and processing of scrap tires in Ontario has seen some big changes recently as a result of **Liberty Tire Recycling Canada Ltd's** acquisition of three Ontario-based firms. Liberty Tire Recycling is the leading tire recycling company in North America and their investment in the Province will bring new capacity and a track record for innovation to the Ontario market.

Liberty's newly-acquired firms include Ontario Tire Recovery Inc., located in Hagersville, Toronto and Ottawa, and Tri City Services Ltd. of Guelph. For over three decades, these companies were involved in collecting and hauling scrap tires throughout the majority of the Province. The third firm,

Perth Recycling located in Brunner, is a tire processing plant that handles passenger and light truck tires.

Now part of the Liberty Tire Recycling network of facilities, these companies will be involved in recycling all types of scrap tires for use in innovative, eco-friendly products. "This is a great example of hard working people working together without borders to find new and better ways to reclaim, recycle and re-use scrap tires to achieve the goals of the new Ontario Tire Stewardship program," said Liberty Tire Recycling Canada Vice President, Ron Carlson.

The result will be an enhanced ability to shred and grind scrap tires into recycled rubber in various sizes for advanced rubber-based products such as artificial sports fields and tracks, rubber mulch, road asphalt and moulded goods. Additionally, new jobs will be created as more Ontario scrap tires are recycled

locally, and converted into products that are used by Ontario manufacturers.

Mike Moffatt, former President of Ontario Tire Recovery Inc. embraces the acquisition. "Liberty will help elevate the Ontario market place to the next level in scrap tire collection and processing, fulfilling goals that I started working on many, many years ago. It is a privilege to be working with the Liberty team."

Mike Foley, former President of Tri City Services, is also delighted to be part of Liberty. "This is an exciting time for the scrap tire industry. Liberty has insight and experience and is committed to quality, service, safety and its employees."

Further expansion is on the horizon and all employees and management of these three companies will be working together to make Liberty's transition into Ontario a successful one. For more info, visit: www.libertytire.com

Market Watch

Expanding the Market for TDPs

A fundamental component of a successful tire recycling program is strong market demand for Tire Derived Products (TDPs). Innovative products include athletic surfaces, flooring, roofing and paving, which provide a multitude of benefits for customers. For instance, recycled rubber tracks set the standard for high performance surfaces. Rubber-based shingles have a 50 year warranty – 30-35 years longer than most traditional roof shingles. And rubber pavers are increasingly used to replace stone and brick due to superior durability and resistance to freeze/thaw damage.

Eco-Flex is one company that is

driving demand for TDPs in Canada and their plans to set up a local manufacturing plant in Ontario will usher in good things for OTS. Eco-Flex currently processes 6 million tires in Alberta and recycles them into a variety of high value products. With their new manufacturing process in Ontario they are committing to using 100% Ontario processed crumb rubber.

Many Ontario municipalities and property managers are already using Eco-Flex paving products to reduce costs associated with maintenance and replacement of surfaces and walkways. The City of Barrie chose Eco-Flex to replace traditional pavers, which were suffering skate damage at their central outdoor ice rink. "The pavers have held up extremely well," explains Glenn Tris-

tram, Supervisor of Corporate Facilities, City of Barrie. "We placed them in front of our City Hall. They form a pathway around the ice rink and to the change room. We have had no issues with heaving, discoloration, traction, etc... We are going to be replacing unistone at our Police Headquarters and installing Eco-Flex there as well."

What Eco-Flex illustrates is the emerging opportunity for products that embrace the beneficial characteristics of recycled rubber. Beyond just diverting a waste material from landfill, TDPs provide flexibility, durability and cost effectiveness for product manufacturers, supported by an efficient supply chain through OTS collectors, haulers and processors.

Viewpoints

Tire Stewardship BC: *The Wisdom of Experience*

OTS has kicked off its inaugural year with much success, but in Canadian terms it's still in its infancy. To get a taste of how resilient a program like this can become, we only need to look west to British Columbia.

The BC tire recycling program kicked off in 1991 and was run by the Provincial government until 2006. In 2007, industry took the reins through formation of Tire Stewardship BC (TSBC), which oversees the collection of over 40,000 tonnes of scrap tires annually - around one for every person in the Province.

The Ontario and BC programs do have some notable differences. In BC, eco-fees are charged and remitted by retailers as opposed to first-importers/manufacturers, and BC allows tire derived fuel applications, which Ontario does not. BC's near-100% participation rate and ability to process virtually all of collected tires in-province are impressive achievements. Right now about 20% of tires collected are used as fuel alternatives and the other 80% becomes crumb rubber that is sold largely to US buyers. "The next step for us is to support BC-based recycled product manufacturers and to create new markets for tire derived products," explains Mike Hennessy, Executive Director of TSBC.



TSBC is tackling the market development challenge through a combination of research and development on new products, manufacturing efficiencies and capacity, as well as enhanced focus on the end customer. Demonstration projects such as new playground surfaces and incentives for projects to use BC crumb rubber are driving demand.

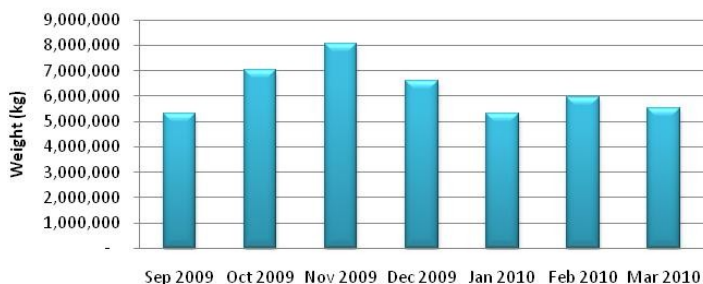
So what does the future look like at TSBC? Mr. Hennessy thinks that the best opportunity for recycled rubber is to

replace expensive raw materials in higher value goods, particularly as resource prices, including oil, continue to rise. In the short term, TSBC is focused on continuing to build its market, provide excellent service, and build a better understanding of the full environmental footprint of different processing options to guide strategic decision making.

For more information visit:
www.tirestewardshipbc.ca

• The OTS Report •

Total Tire Volumes Recieved by Ontario Processors



Total TDP Volumes Sold by Ontario Processors

