

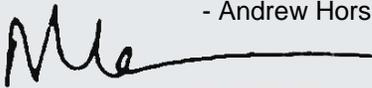
Executive Director's Message

Few words have had as much impact on me as those of Gandhi. "Be the change you want to see in the world," he wisely advises. Leaving a legacy of positive change is what drives me and I know I'm not alone. While a healthy culture of constructive feedback is certainly in play across Ontario's tire stewardship community, the various stakeholders are clearly committed to positive change.

A case in point is the May Special Tire Collection event championed by the Ontario Automotive Recyclers Association (OARA) in partnership with OTS. The event went the extra mile by supporting the Sunshine Foundation – a charitable organization that helps make "Dreams for Kids" with severe disabilities and life-threatening illnesses come true. OARA's pledge to match member donations inspired organizations like Liberty Tire Recycling Canada to make considerable contributions, while outreach support from Environics Communications helped to ensure a solid response.

The end result? Finding fitting homes for 32,000 tires and raising \$64,000 for the Sunshine Foundation. Congratulations to OARA for showing us how change for the better can become part of the job.

- Andrew Horsman



★ Keeping the Momentum

The summer weather isn't the only thing heating up this month. July represents the 1-year mark since registration opened for Stewards, Collectors, Haulers and Processors of the Used Tires Stewardship Program - and the momentum keeps building thanks to you!

Today we have over 400 Stewards submitting monthly remittance reports and payments. Over 5,700 Collectors have joined the program and another 40-50 new registrations still come through the door each week. Hauler registrations are nearly triple what was expected at the outset. Some of these registrants have served the scrap tire industry for many years, while others are relative newcomers, energized into action with the help of Transportation Incentives put in place by OTS.

Processor registrations have increased as well. With OTS, the industry no longer needs to watch tires leave the Province to serve lower-value applications. As told through the "Closing the Loop" feature on page 3, today Processors have access to all the materials required to meet their customers' stringent demands. Furthering the objectives of the program, Processing Incentives are driving further investment and growth by rewarding Processors for recycling and marketing tire-derived products. As a case in point, three new Processors are currently in various stages of setting-up operations in Ontario.

Of course, the program starts with the Stewards. We are constantly engaging new organizations to help them understand potential obligations under the Rules for Stewards. The combined efforts of all parties within the stewardship community mean that a long-term, sustainable market for used tires is more of a reality than ever before.

In other news, OTS has launched a new initiative that targets Tire Stewardship further up the chain of responsibility. The **Tire Life Check Tour** will visit over 70 locations and events from June to October. Look for the teams and vehicles at a commuter station or event near you.



◦ This Month's Headlines ◦

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National Rubber turns car tires into car parts.

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Teaching Ontarians to give their tires some TLC

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Inside Track



Diana Fernandes – OTS Operations Centre

Introducing Diana

My role as Revenue Coordinator in the OTS Operations Centre means that I'm responsible for day-to-day transactions for Tire Stewardship Fees (TSF), which are received monthly from Stewards. I deal directly with the approximately 530 Stewards registered with OTS, answering questions about the Used Tire Program, following up for clarification on TSF remittances, and doing my best to help correct errors or missing information that might get in the way.

My role also entails reaching out to organizations that may be Stewards but who have not yet registered, to offer a reminder of potential obligations and provide assistance with registration. From time to time, I assist organizations in clarifying their status – for example, where a company has registered as a Steward but later discover they in fact are better classified as a Collector. Finally, in addition to keeping funds moving swiftly through the system, I provide OTS management with support in the form of regular reporting and meeting input.

Tips and Suggestions:

1. TSF Remittances are due monthly and the deadline for filing is the last day of the month following the reporting pe-

riod. For example, TSF Remittances for the reporting period of July are due by August 31.

2. Stewards can make the filing process easier by taking care to accurately fill out the TSF Remittance form – paying special attention to registration number, reporting period, signature, tire quantity, dollar amounts, and HST.

3. TSF Remittances with a zero balance owning must still be filled with OTS. Faxed copies are also acceptable.

4. Newly registered Stewards are required to remit TSF payments back to the September 1, 2009 OTS Program start date, up to the current reporting period, or from the business start date if after September 1, 2009.

5. Stewards may avoid penalties and interest charges by filing on time. The late filing penalty is 10% of the TSF payable. Remember, interest charges may be applied to any late TSF remittances.

6. If you determine you are not a Steward as part of the Used Tire Program, you must confirm in writing to OTS.

7. Harmonized Sales Tax (HST) came into effect July 1, 2010, which means that TSF remittances starting with the July reporting period should include HST. TSF payments with reporting periods prior to July 1, 2010 will have only the GST applied to them. The new TSF remittance form which includes HST is available on the OTS website www.ontarioTS.ca

The OTS Operations Centre is available 8:30AM - 5:00PM Mondays to Fridays at 1-888-687-2202 or by email at Steward@ontarioTS.ca if you need information or want to resolve operational issues.



National Rubber: Car Tires to Car Parts—Pg. 3

Zero-to-Sixty

July 1st 2010: Opening day for Collectors to submit Claims for the April 2010 – June 2010 period

July 23rd 2010: Tire Life Check Tour at the Aylmer Car Show

July 24th & 25th 2010: Tire Life Check Tour at the Fergus Truck Show

July 29th 2010: Tire Life Check Tour at the Toronto Zoo

July 30th – August 2nd 2010: Tire Life Check Tour at Kempenfest (Barrie)

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

July 31st – August 1st 2010: Tire Life Check Tour at London Ribfest

August 4th 2010: 1st Meeting of the OTS Technical Advisory Committee (contact OTS for details)

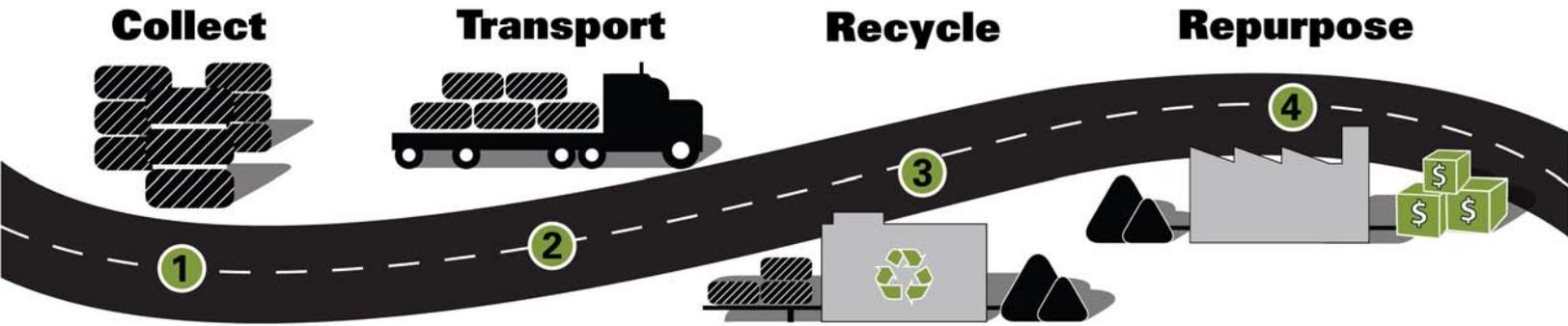
August 16th – 18th 2010: OTS at the AMO 2010 Annual Conference and Tradeshow

August 31st 2010: Closing day for Haulers to submit Claims for the May 2010 period

August 31st 2010: Closing day for Processors to submit Claims for the May 2010 period

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

September 16th – 18th 2010: OTS at the OTDA Annual Conference and Tradeshow



Stewardship in Action

Independent Stewards keeps OTS rolling

Whether cruising through a golf course, harvesting a field, or keeping thousands of commuters on track, tires supplied by Stewards help keep life in Ontario rolling. Take a closer look, and you see that Stewards play an important role in helping to ensure all on-road and off-road tires in Ontario are successfully recycled and find new life in tire derived products.

Stewards can be vehicle manufacturers, tire brand owners, or first importers of tires. For instance, Al's Tirecraft, which was established in 1967 in Burgessville, Ontario as Al's Tire, is a tire dealer that offers a full range of tire-

related services in passenger, light truck, truck, industrial, agriculture and off road tire segments. The company meets customer needs by importing tire brands and product lines that are not available from current domestic supplier partners.

Stewards like Tirecraft remit a Tire Stewardship Fee (TSF) for every tire supplied into the Ontario market. The TSF funds Program activities such as collection, transportation, processing and manufacturing of recycled rubber products and support other aspects of Program operation.

Many of the over 500 Stewards registered with the OTS program are automobile, tire manufacturing companies and large retail chains. Others still

are independent tire dealers that are an integral part of every neighbourhood in Ontario.

About Al's Tirecraft

Al's Tirecraft started as a family-owned and managed business, expanding through partnership and acquisition. The company previously operated 6 company-owned stores and 6 partnership stores until joining the Tirecraft Associate Program in 2006, which led to partnership in Tirecraft Canada in 2008. Tirecraft now has 45 Tirecraft associates throughout the province.

Market Watch

Closing the Loop in the Automotive Sector

An ideal outcome for any recycling program is a closed loop system where the original producers or importers are also the customers for recycled products. For OTS, car manufacturers are an important Steward group while their dealer service centres represent a major segment of the collector market. Now with help of companies like National Rubber Technologies, vehicle manufacturers including Ford are stepping into the recycled rubber product consumer role as well.

National Rubber is a vertically integrated recycler, processor, and

manufacturer of construction, agricultural and transportation parts with plants in Ontario and Ohio. Each year, National Rubber Technologies sells 100 million pounds of rubber products to the Automotive Industry and Industrial Markets. While using recycled rubber over virgin material has obvious environmental benefits and potential cost savings, the practice has not always been easy. In the past, uncertain availability of scrap tires and competition from low value disposal option such as incineration made the supply chain unpredictable.

Fortunately, times are changing. "OTS has created a more ready supply of scrap tires which allows us to meet the stringent demands of automotive Just-In-Time manufacturing," says Greg

Bavington of National Rubber. "Previously, we could not guarantee the availability of scrap tires, so we had to under-design how we used them in our products. With a regular supply, we can optimize our formula for the right amount of recycled rubber, ensuring the highest quality at the best price." By supporting the collection of tires and connecting haulers with Ontario recyclers, OTS is helping to ensure companies like National Rubber are able to provide environmentally-superior options that meet the demands of first-class manufacturers.

Viewpoints

Tire Life CHECK

 Ontario Tire Stewardship

2010 OTS Tour: *Teaching Ontarians to Give Their Tires Some TLC!*

From farmers in Smithville to cottagers in Gravenhurst, Ontarians are learning how to give their tires some "TLC." The OTS "Tire Life Check" Tour now rolling across Ontario, consists of two teams of tire maintenance experts that are working hard to educate people on how to properly maintain and prolong the life of their tires.

The campaign kicked off mid-June with an initial focus on connecting with daily drivers at busy commuter stations in Toronto and Ottawa. In late June, a full roster of festival and event stops also got into full swing.

Education is a top priority for the team. TLC tour staff distribute information, survey drivers on their knowledge and current habits and demonstrate how to measure tire pressure. TLC tour vehicles, with their bright green pop-up canopies and displays, should be easy to spot at community events near you. Also keep an eye out for TLC give-

aways like easy-to-read tire maintenance tip sheets, tread depth check wallet cards and tire pressure gauges. A sampling of events to date include: Canada Day in Ottawa, Poultryfest near Grimsby, Timmins Rotary Ribfest, Busker Festival in Kingston, Brockville Riverfest and the Pickering Farmer's Market. Watch for the TLC Touring Team at upcoming events such as the Fergus Truck Show, Kempenfest in Barrie and Rotaryfest in Sault Ste Marie. Safe travels and see you on the road!



• The OTS Report •

Through End of April, 2010

Registered Stewards

584

Registered Collectors

5771

Registered Haulers

140

Registered Processors

23

TSF Remitted

\$46,017,361.18

On-Road Tires Diverted

72,651 tonnes

Off-Road Tires Diverted

12,508 tonnes

HAVE A QUESTION? Call us at 1-888-687-2202 (1-888-OTS-2202) or visit us at www.ontarioTS.ca