

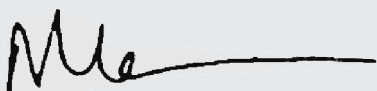
## Executive Director's Message

The role of the consumer is increasingly important in today's world. I try to make decisions that reduce my personal impact on the planet, whether using reusable bags, carrying my reusable mug, or working at OTS.

Recently I noticed the shingles on my home were looking worn and sought out sustainable roofing alternatives. I eventually decided on Enviroshake roof shingles made from 95% recycled materials, including recycled tire rubber manufactured in Chatham, Ontario.

They were more expensive than traditional asphalt shingles but last 2-3 times longer, are sturdier, more fire resistant, and look great. Several neighbours came by to ask where I got the new "cedar" shingles and were amazed when I told them about the product and what it was made from.

Although my roof was a small project, it offered an opportunity to make a choice that was good for the environment, good for Ontario's economy, and good for me. I encourage you all to seek out similar win-win opportunities for bringing greener choices into your life.



- Andrew Horsman



## ★ Stewardship and the Consumer

In the past we have focused on the role played by Stewards, Processors, Manufacturers and Tire Stewardship Boards that have successfully brought OTS off the ground. However, we cannot forget that the survival of the program lies with the support and engagement of the consumer.

Ultimately it is up to the consumer to ensure that they and their tires have a long and happy life together; by keeping tires properly inflated, balanced regularly, and by switching between winter and all-season tires. And the consumer is the one who makes the decision to take their tires to an OTS-registered Collector, and by so doing, ensures that those tires will be recycled into new, high-performance products.

Prior to the Used Tire Stewardship program, consumers were not assured that their tires would be responsibly managed once left at the garage, dealer or retailer. Today, we can take our used tires to a registered OTS organization, and leave with the knowledge that our scrap tires will not be "decorating" a landfill, ravine, or stream; and instead will be recycled, finding a second life as a green product.



Photo Credit: Maggie Osterberg

Lastly it is the consumer who decides to purchase products made from recycled tires. Purchasing products that use recycled rubber helps to reduce our use of virgin non-renewable resources, lowers GHGs associated with production, and often is accompanied by performance improvements!

As with any new product, it takes time to grow a market. Fortunately, Ontarians have shown a willingness to adopt innovative tire-derived products and a desire to use their dollars to make decisions that are better for the planet. So hats off to the consumer – a critical player in helping us achieve our goal of creating lasting and "sustainable" change across the tire stew-

## ◦ This Month's Headlines ◦

### Improving Program efficiency

Jennifer Barbozza keeps things running smoothly at OTS operations.

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### Non-Traditional Stewards

Not all Stewards are the same, but registration is just as important.

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### Winter Tires

Winter tires can improve safety and save you money.

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### OTS Compliance

Take care of compliance issues before they become a problem.

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## Inside Track



### Introducing Jennifer Barbazza

My role as Manager, Operations & Special Projects means that I oversee the day-to-day operations of the OTS team. The Operations Team's roles include: working with program Stewards on Tire Stewardship Fee (TSF) Processing, handling incentive claims from Haulers, Processors, Manufacturers and Collectors, ensuring used tires flow smoothly through the Control Tower, processing registrations for new program participants, and handling calls and emails from participants and interested members of the public.

Working with Program Participants, we continually look for ways to make the Program more efficient. Whether helping a Participant gain a better understanding of the Program, processing claims or developing new and robust operating procedures, you will find the Operations team is passionate about what we do!

I also work on a number of Special Projects, which are typically focused on future plans for improving OTS operational efficiencies and advancing OTR tire category updates or training materials.

### Tips & Suggestions

- ❑ **Get Involved.** OTS hosts a Technical Committee Meeting that is open to all Operational Participants (Collectors, Haulers, Processors and RPMs) where new ideas and program issues are discussed, with suggestions being brought to the Board as appropriate. Watch for the next invitation coming soon.
- ❑ **Watch for OTS Information Blasts.** In addition to posting information on our website at [www.ontarioTS.ca](http://www.ontarioTS.ca), OTS sends out important communications to Participants via email. Be sure to review the information we send out to ensure you have the latest updates at your fingertips.
- ❑ **Ask Questions.** There is a lot of information available on the OTS website, however if you have a specific question that you can't find an answer to, or require clarification on a specific policy or procedure, our Call Centre team is ready to help at 1-888-687-2202 or a [info@ontarioTS.ca](mailto:info@ontarioTS.ca).
- ❑ **Take us up on Training/Information Session Offers.** OTS holds training and information sessions for Participant groups, so be sure to take part in sessions that apply to your organization.
- ❑ **Use available resources.** Take advantage of the newly announced Guidebooks, which summarize all the policies and procedures you need to know. There is a separate Guidebook for Stewards, Collectors, Haulers, Processors and Recycled Product Manufacturers.



Photo Credit: IONclad @ [www.flickr.com](http://www.flickr.com)

## Zero-to-Sixty

**December 7, 2010:** OTS will be holding a "Steward Meeting & 2011 Overview"

**December 16, 2010:** OTS Technical Committee Meeting

**December 31, 2010:** Closing day for Stewards to submit November 2010 TSF Remittance Reports and payment

**December 31, 2010:** Closing day for Collectors to submit Claims for the July 2010-September 2010 period

**December 31, 2010:** Closing day for Haulers to submit Claims for the September 2010 period

**December 31, 2010:** Closing day for Processors to submit Claims for the September 2010 period

**December 31, 2010:** Closing day for RPMs to submit Claims for the September 2010 period

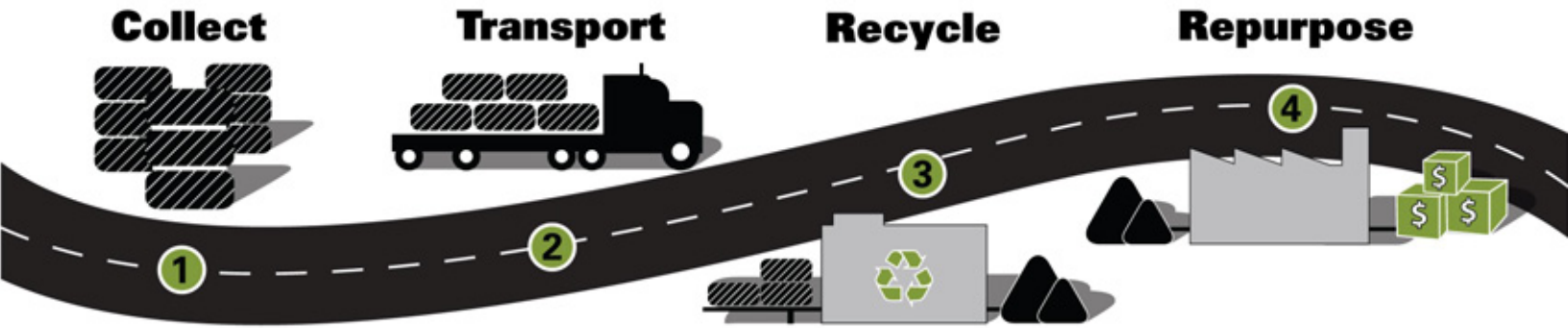
**January 31, 2011:** Closing day for Stewards to submit December 2010 TSF Remittance Reports and payment

**January 31, 2011:** Closing day for Collectors to submit approved claims adjustments for Sept-Dec 2009, Jan-Mar 2010, Apr-Jun 2010, and Jul-Sept 2010 periods

**January 31, 2011:** Closing day for Haulers to submit Claims for the October 2010 period

**January 31, 2011:** Closing day for Processors to submit Claims for the October 2010 period

**January 31 2011:** Closing day for RPMs to submit Claims for the October 2010 period



## Stewardship in Action

Stewardship under OTS requires that any new tire that makes its way into the Ontario marketplace has a designated Steward, which is obligated to remit a Tire Stewardship Fee (TSF) upon supplying tires into Ontario. Occasionally, however, the “likely Steward” (i.e. OEM, Tire Manufacturers, or large scale Tire Importer) is not associated with the tire supply and another organization is obligated to remit TSF as a Steward.

A common example is a company that operates a fleet of vehicles that purchases tires for their own corporate use. If the tire supplier is a company residing in another province, and they have not voluntarily registered as a Steward with OTS, the fleet operator

has the obligation to register, report and remit to OTS.

Another “unseen” Steward scenario occurs when an Ontario tire retailer purchases tires from an out-of-province distributor who has not voluntarily registered as a Steward with OTS. When the Ontario company supplies tires into the Ontario market, they are obligated to register as Stewards with OTS and remit TSF as they are the first importer of new tires into the province.

The consequences of failing to register, report and remit for a Steward can be significant. Penalties of 10% may be levied on any late or outstanding amounts, and both the penalty and principal are charged interest at a rate of prime plus 3%. When continued

failure to comply occurs, the Ontario Ministry of the Environment’s Investigations and Enforcement Branch steps in for regulatory enforcement action.

OTS is committed to ensuring a level playing field for all tire Stewards in Ontario. Companies purchasing tires from any source should always determine if their tire supplier is obligated to register as a Steward and if they themselves are a supplier, become a Steward as required. To find about more about the definition of a “Steward” please visit [www.ontarioTS.ca](http://www.ontarioTS.ca) and review the “Rules For Stewards.” If you suspect that you should be a Steward and are not already registered, contact OTS today, and we will be pleased to provide clarification.

## Market Watch

### Winter Tires

**Winter is upon us and as the cold weather approaches, count on winter tires to keep you on the road!**

Winter tires not only help protect you and your precious cargo during the snowy months, but the right tire change can also benefit the environment, and save you money.

While new tread designs improve traction on slippery surfaces, it’s the chemistry of winter tires that really makes them stick. Rubber tires begin to stiffen as the temperature drops, reducing the surface area contacting the road, which decreases your traction. The latest generation of winter tires

maintains elasticity even at extreme low temperatures of -30°C.

Compared to all-season tires, winter tires perform more efficiently as the temperatures begin to fall. This means that you should not wait for the first snowfall to put on your winter tires. When the temperature drops below 8 degrees, winter tire technology will improve your grip even on dry roads.

One important note to remember is that winter tires work together as a set to improve your traction. Replacing just the front or rear tires can cause under-steering or over-steering in slippery corners. Transport Canada and the Rubber Association of Canada recommend that you always install winter tires in sets of four. It is also a well-known

fact that having the correct air pressure in your tires can improve the fuel efficiency of your vehicle. Driving with under-inflated tires can increase fuel consumption and cost you up to 2 weeks of extra fuel a year!

Another benefit of winter tires is that by maintaining their elasticity in cold weather they have a tighter air seal and are less likely to crack. This will help keep the air pressure of your winter tires constant so they do not under-inflate as quickly as all season tires. These factors combined will help you extend tread life, improve safety, and reduce fuel consumption – all vital ingredients for saving energy, protecting your passengers and putting money back in your wallet.



# Viewpoints

*OTS can help you take care of compliance before it becomes an issue.*

The success of the Ontario Tire Stewardship (OTS) program is not possible without the support and participation of tire industry stakeholders. OTS relies on a high level of program compliance, which allows for accurate reporting on tire flow and also ensures a level playing field across the various participant groups. OTS is committed to helping all participants achieve compliance to maintain their good standing in the Program and qualify for all relevant incentives.

Part of OTS' commitment to compliance includes auditing participants. Audits are done proportionally based on the number of participants in a specific group (i.e. Collectors are the largest group so have a larger share of total audits) as well as the dollar value associated with claim types (i.e. if one group has a higher average claim value it may

increase the number of participants within the group being audited).

Looking back at early audits, OTS has identified some common causes for companies falling out of compliance. Often times, companies have not stayed up-to-date on current information made available through the OTS website or email blasts. We also recognize the challenge being faced by organizations that do not necessarily fit "neatly" into a predefined businesses model. In such cases, deciding alone which category applies without asking for clarification can lead to inaccurate reporting.

OTS would like to remind participants that the call centre (1-888-OTS-2202) is an excellent resource for companies that have questions about the Program. OTS has offered, and will continue to offer training sessions for various participant groups on the basics of OTS compliance and will release additional clarification notices as applicable.

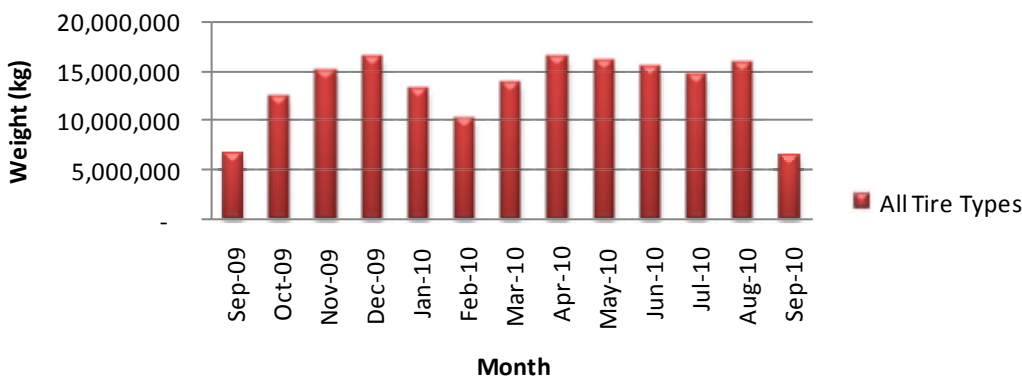
The most current information is always available on [www.ontariots.ca](http://www.ontariots.ca).

OTS is making a concerted effort to review claims and remittances as quickly as possible to identify and remedy potential errors quickly. If you suspect that you might be out of compliance, however, it is essential to contact OTS as soon as possible to correct issues and minimize unintended consequences from errors or misunderstandings.

The general rule of thumb: when in doubt, just ask, as most cases of companies misunderstanding the rules can be avoided with a simple call!

## • The OTS Report •

**Total Tire Volumes Delivered by Ontario Haulers**



Registered Stewards

**608**

Registered Collectors

**6175**

Registered Haulers

**150**

Registered Processors

**31**

Recycled Product Manufacturers

**7**

TSF Remitted

**\$73,523,414.70**

Tires Diverted (Tonnes)

On Road: **98,701**

Off the Road: **18,643**

Tires Supplied into Market (Tonnes)

On Road : **135,889**

Off the Road: **16,043**