SSUE OTS An Ontario Tire Stewardship Publication

Executive Director's Message

Many of you may not know this, but I'm nearing my 9th year with OTS. In 2002, while working at Wal-Mart Canada, I joined OTS as one of the two representatives from the Retail Council of Canada. I was excited to be a part of a young organization with seemingly endless knowledge on tire recycling, courtesy of reps from the Rubber Association of Canada, Michelin, Goodyear, Canadian Tire and the Ontario Tire Dealers Association, among others.

Now on the inside, as we embark on our 2nd full program year, I continue to be impressed by the knowledge and dedication of our Board, our team, and the Stewards, Collectors, Haulers, Processors, Manufacturers, and other stewardship programs at home and abroad that we work with every day.

In 2011 we will continue to apply lessons from our rich history together to help us extend our leadership in used tire stewardship. We will launch new initiatives to ensure consumers of all types choose sustainable products made from recycled tires more often. Needless to say, I am truly excited about working with you to create even more reasons to celebrate.





New Year, New Program

With the arrival of 2011 comes the beginning of a new program year. While many things will stay the same (such as Processing Incentives), our focus on developing Ontario processing and manufacturing capacity and growing the market for recycled tire products will be strengthened.

Transportation rates will change in 2011 to encourage more efficient movement of scrap tires from Collectors to Processors - reflecting the new processing landscape in Ontario. Along with this we have revised our approach to out-ofprovince deliveries and processing. As of March 1st 2011, OTS will no longer dictate the final destination for tire loads approved to go out-of-province. Haulers who receive prior approval from OTS to take a load outof-province will be able to select which of the registered out-of-province Processors they wish to deliver to. This will allow Haulers and out-of-province Processors - our partners in managing Ontario's surplus scrap tires - to move loads more efficiently and affordably.

While the new process for out-ofprovince deliveries and processing expands possibilities for the program, we will continue making sure that more of Ontario's scrap tires can be recycled locally. Big capacity increases are on the horizon this year, including working closely with Ontario Processors and Manufacturers to bring innovative and high-value green products to market.

We have also tweaked the Manufacturing Incentive program to offer greater rewards for companies bringing incremental capacity on-line. OTS is committed to working with all Manufacturers to grow their markets and production through incentives, promotional efforts and R&D programs; however, organizations with higher overall Ontario crumb rubber use will receive greater incentives than those that maintain a flat production profile.

To help build on our shared success OTS is growing too. We're bringing new staff on board to help with market development and compliance efforts, so expect to see more of OTS in 2011 and beyond.



• This Month's Headlines

Getting the Message Out

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A Bounce in its Step

Brantford launches recycled rubber sidewalk pilot

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From Wheels to Roads

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Under Construction

Recycled tire products make a splash at Construct Canada

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

Inside Track





Introducing Jeff Ranson

The Innovolve Group is proud to be working with OTS to support their stakeholder communications and engagement programs. As OTS team lead at Innovolve I manage the production of the monthly newsletter you're reading right now, along with the development of special projects to engage key market segments around opportunities for tire recycling and tire derived products.

Communications is critical to the success of a project like OTS. Our goal is to help ensure that both participants and the public are well informed. This ensures that claimants get the full benefit with the least amount of effort, and that consumers and Stewards understand the value derived from stewardship fees. We are also committed to supporting the creation of new markets and product opportunities for recycled tires. By supporting Processors and Manufacturers, OTS ensures ongoing capacity for accepting used tires, and drives economic activity here at home in Ontario.

Your support in delivering this message is critical to the success of OTS. Here are some ways that you can help.

Tips & Suggestions

- Stay informed: Visit the website (www.ontarioTS.ca) and follow the newsletter to ensure that you are up to date on program news and deadlines.
 - Provide Feedback: Contact OTS if you have any questions or concerns about the program and let us know how we can improve service. You can reach OTS at 1-888 -687-2202 or by email at info@ontarioTS.ca.
- Spread the Word: Forward this newsletter to your customers and suppliers. By showing your support for OTS you're demonstrating your leadership in environmental stewardship and helping us achieve our goal of registering 100% of eligible participants.
- Share Your Ideas: Do you have an idea for an article, a success story, or event that we should know about? Send us an email or give us a call. We're always looking to reach new markets for TDPs and to showcase the success of our partners.
- Buy Recycled Tire Products: By choosing products made from recycled tires, you are not only making a good environmental choice to reduce waste, but are also supporting new Ontario manufacturing industries and the network of Collectors. Haulers and Processors that are the backbone of OTS.



VAST Pavers, Photo: archithings.com

Zero-to-Sixty



February 28, 2011: Closing date for Stewards to submit January 2011 TSF Remittance Reports and payment

February 28, 2011: Closing date for Haulers to submit Claims for the November 2010 period

February 28, 2011: Closing date for Processors to submit Claims for the November 2010 period

February 28, 2011: Closing date for RPMs to submit Claims for the November 2010 period

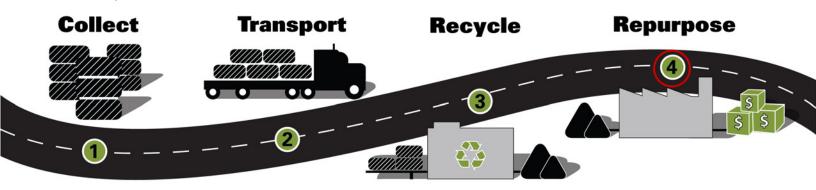
March 31, 2011: Closing date for Collectors to submit Claims for the October - December 2010 period

March 31, 2011: Closing date for Stewards to submit February 2011 TSF Remittance Reports and payment

March 31, 2011: Closing date for Haulers, Processors, and RPMs to submit Claims for the December 2010 period

March 1, 2011: Effective date for 2011 Transportation Incentive Rates

March 1, 2011: Effective date for 2011 Out of Province Processing process and rates



Stewardship in Action IIII

Rubberized sidewalk in **Brantford turning heads**

Ontario's thriving used tire industry is made possible by the network of used tire Collectors, Haulers, Processors and Manufacturers that ensures all scrap tires in the province are disposed of responsibly. One of the keys to sustaining this industry is demand for higher value uses of recycled scrap tires, which the city of Brantford is helping to sustain.

Brantford is becoming an innovation leader in their use of recycled rubber for sidewalks. A major reason for Brantford's pilot was ongoing maintenance issues in areas where tree roots were lifting stretches of sidewalk. Like

many municipalities, maintenance costs to deal with sidewalk wear and tear and tree root damage is a strain on city budgets.

Prior to the pilot project, Brantford public works was forced to repair sidewalks in the area three

times in the past five years. Public works officials acknowledge that tree roots will still lift rubber sidewalks, but expect that when this happens, they will be able to remove the rubber walk, adjust the tree roots and re-lay the rubber much more easily.

The rubber sidewalk pilot was installed in July 2010. In addition to significant cost savings expected from this

approach, Brantford liked the ease of installation and the ability to make future adjustments without using heavy equipment. There has been a huge amount of neighbourhood interest in the replacement sidewalk as well. If the pilot proves successful, it will further pave the way for expanded use of rubber sidewalks in Brantford and other municipalities across the province.



Market Watch ▲▼



MTO Highway Construction Trials Tire Derived Aggregate

The Ontario Ministry of Transportation (MTO) has proposed the use of Tire Derived Aggregate (TDA) as a recycled engineered material to construct highway embankments in Ontario. The first project of its kind in Ontario is currently being planned for Cornwall, where recycled tires will be used as embankment fill for the Boundary Road Bridge over Highway 401. In total, this project will keep 400,000 tires out of landfill.

The initiative has been welcomed by Jim Brownell, MPP for the Stormont-Dundas-South Glengarry region: "With

thousands of used tires being disposed of on a daily basis in Ontario, hopefully this project will prove successful and give additional life to the tire recycling programs in Ontario."

Made from chipped or shredded scrap tires, TDA filled embankments have proven successful in construction projects in the United States, and recently in New Brunswick. "The purpose of this project is to demonstrate the environmental and engineering benefits of using TDA," says Tony Sangiuliano, foundation engineer at the MTO. TDA is

an excellent material for use in construction projects due to its permeability, good drainage qualities and environmental benefits.

According to the MTO's David Staseff, in order to assess the project's success,

"engineering and environmental

monitoring will be conducted before, during and after construction to confirm acceptable engineering performance and protection of the natural environment." This monitoring program includes measurement of TDA settlements, TDA internal temperature, TDA leachate quality, groundwater quality and surface water quality.

Watch out for TDA embankment construction in mid-2011 - part of the Open Ontario Plan to strengthen the economy through over \$32 billion in infrastructure investment.



Viewpoints

OTS Profiles Recycled Products at PM Expo

try represents a significant opportunity for recycled tire products. This sector alone accounts for 12% of our National GDP according to the Construction Sector Council.

As part of the effort to help Ontario Manufacturers build new market opportunities, OTS gathered a number of building products and took them for a test drive at PM Expo (The Property Management Exposition and Conference). Held December 1 - 3, 2010 in Toronto, this is Canada's largest annual industry conference and exhibition for property managers. Hosted concurrently with Construct Canada, the show attracts over 20,000 property managers, building engineers, designers and architects - all looking for the latest in products and services.

"Green was a big topic of conversation as the industry looks for new

ways to design, build and manage ecofriendly structures," says Chris Dale of Free For All Marketing, a member of the The Canadian construction indus- OTS Tire Life Check Team who was staffing the exhibit. The OTS booth spotlighted six manufacturers that produce exciting new products made from recycled tires. They were:

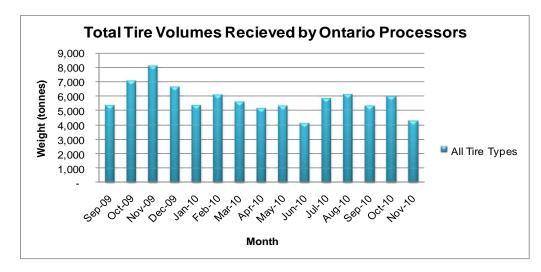
- Fabricushion: Carpet underlay
- Tvroc: Overflooring
- Heffco/Shercom: Rubber garden
- Multy Home: Rubber door mats National Rubber Technologies:
 - Gymnasium flooring
- Enviroshake: Roof shingles

Responses from booth visitors ranged from "surprise" at the range of products now available on the market, to specific questions like "Where can we buy this now?". More than 250 visitors to the booth signed up for more information on OTS and the recycled tire products made here in Ontario.



The OTS Display at Construct Canada/PM Expo

• The OTS Report •



Tires Diverted (Tonnes)

On Road: 131,200

Off the Road: 26,938

Tires Supplied into Market (Tonnes)

On Road: **160,177**

Off the Road: **18,308**

Registered Stewards

618

Registered Collectors

6281

Registered Haulers

161

Registered Processors

31

Recycled Product Manufacturers

TSF Remitted

\$86,600,029.93