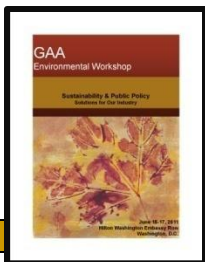


Recovery, Recycling and Extended Producer Responsibility

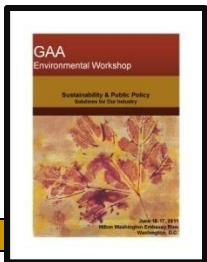
Johnny Gold
The Newark Group
GAA Environmental Workshop
Washington, DC • June 16, 2011



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Agenda

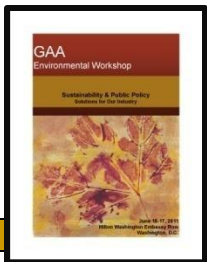
- **Where We are Today**
- **Trends in the Recovered Fiber Marketplace**
- **EPR – Impact on Recycling**
- **Focus on Increasing Recovery**



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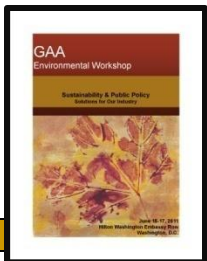
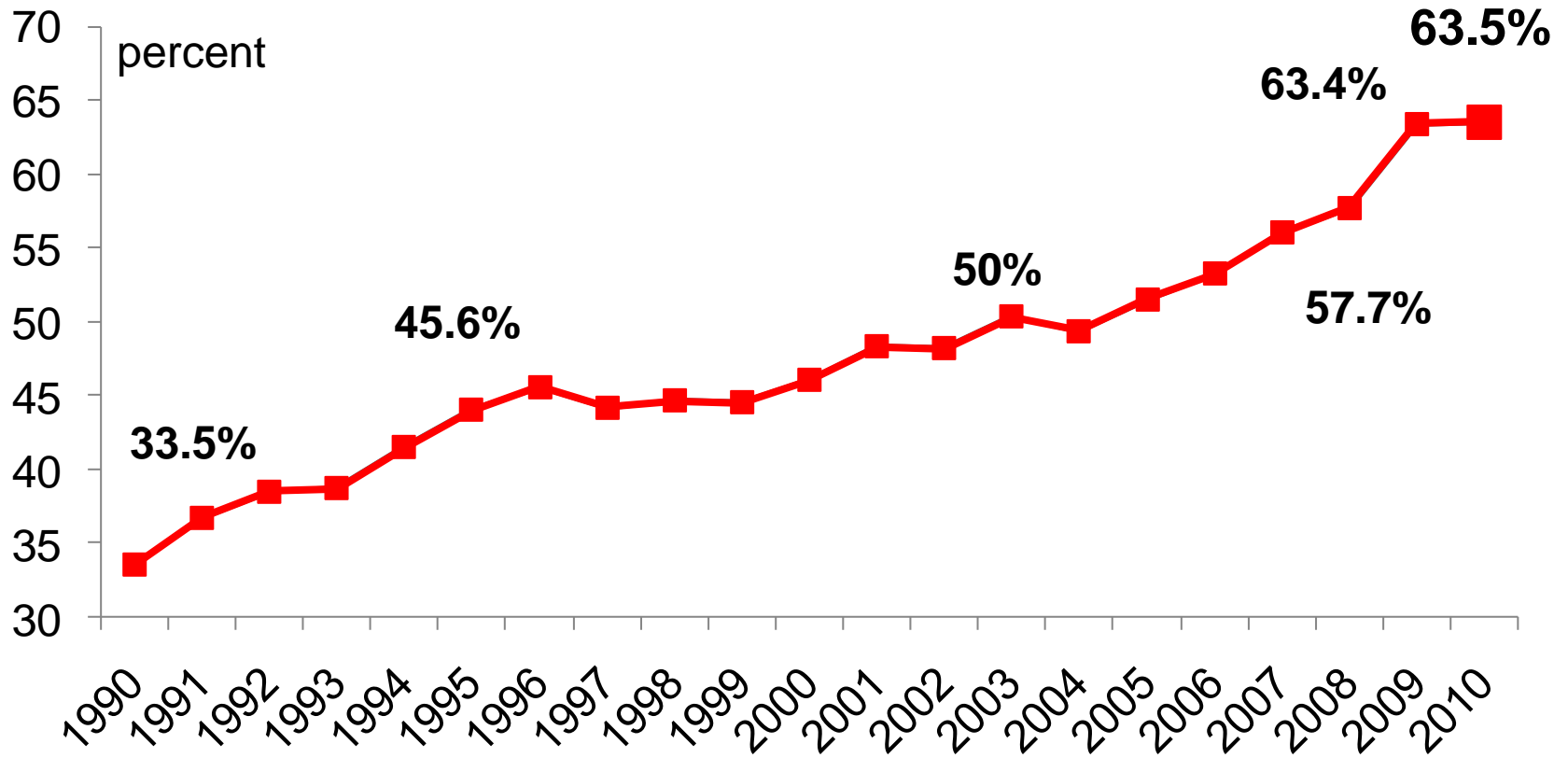
About The Newark Group

- 100% Recycled Boxboard Manufacturer
 - 100% Integrated
 - 8 USA Paper Mills
 - 3 Europe Paper Mills
 - 10 Paper and Plastic Recovery Plants
 - Handles over 3 Million Tons Annually
 - 22 converting Plants
 - Tube & Core
 - Book Covers
 - Game Boards
- Produce 1 Million Tons Annually



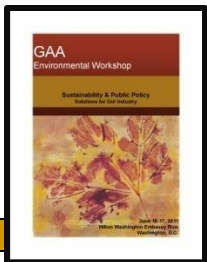
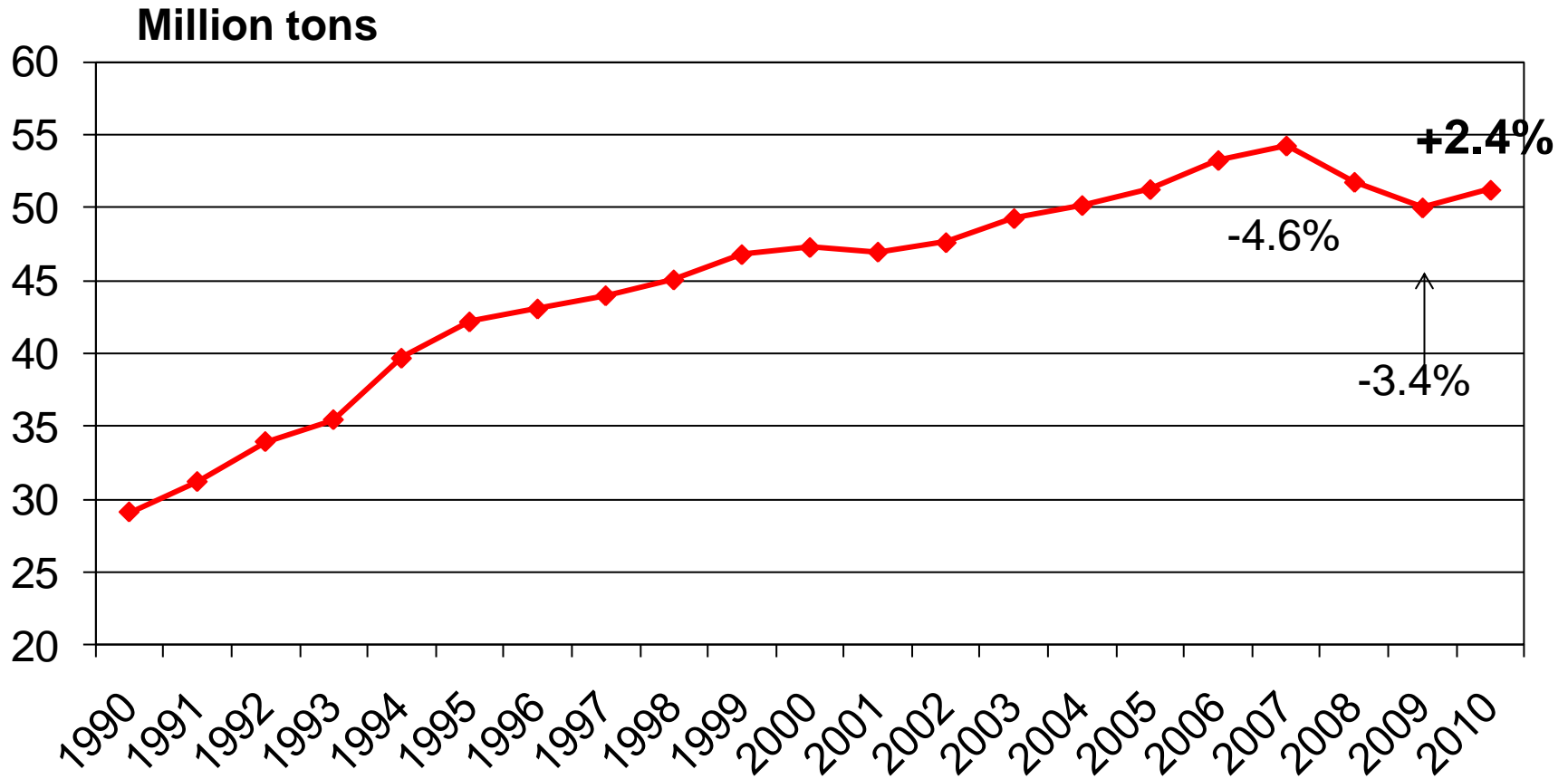
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U.S. Paper Recovery Rate



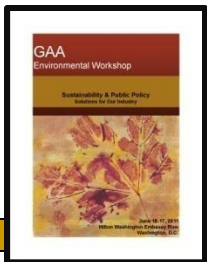
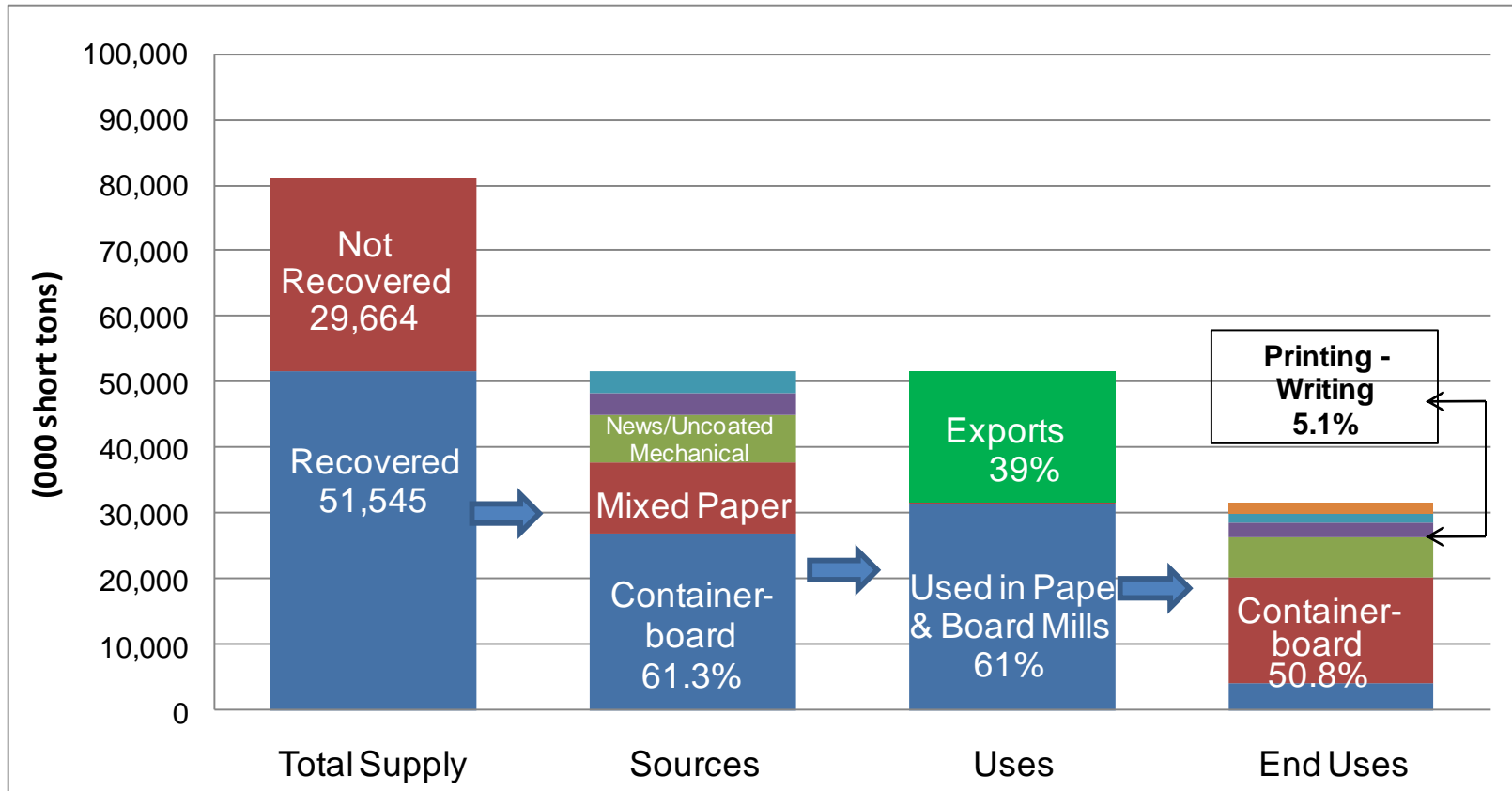
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Total U.S. Paper Recovery



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Recovered Fiber Statistics 2010



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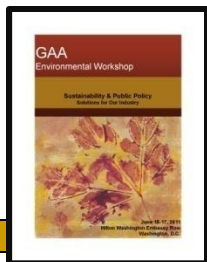
Trends in Recovered Fiber Marketplace

- **Mix of Recovered Paper Consumed in 2010**

Grade	% of Total	Change Since 2001
OCC	61.3%	+10.3%
Mixed	13.9%	(N/C)
ONP	12.3%	-29.7%
HGD	8.6%	+8.9%

- **Exports**

- First 2 months 2011 increased 7.5% over same period 2010
- Notable increases:
 - China +9.5%
 - India +5.8%
 - Mexico +9.4%
 - South Korea +39.4%



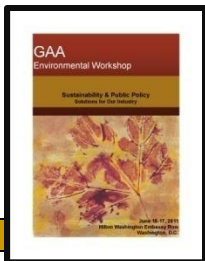
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Trends in Recovered Fiber Marketplace

- **Increased Access to Paper Recycling in 2010**
 - 87% of Americans have access to paper recycling
 - Notable increased access for:

Grade	Access Rate	Change Since 2007
Magazines	83%	+16%
Office Paper	82%	+19%
Direct Mail	81%	+20%

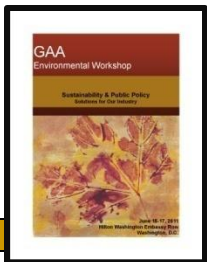
- **Increase in Single Stream Recovery**
 - 53% of Americans have access (up 9% from 2007)



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Recovered Fiber Marketplace

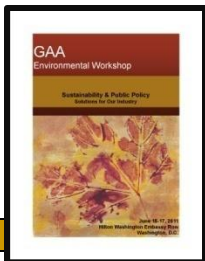
- Industry Outreach
- Promoting Paper Recovery
 - Businesses, schools and communities
 - Tools and resources
 - Website www.paperrecycles.org
 - AF&PA Recycling Awards



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EPR – Impact on Recycling

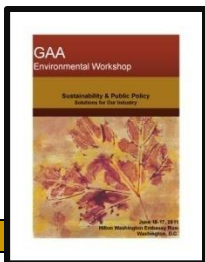
- **Recovered fiber marketplace is complex, efficient and dynamic**
- **Negative consequences of EPR**
 - Increase costs
 - Disrupt existing successful recycling programs
- **Don't need government mandates to “fix problem”**



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EPR – Industry Perspective

- **Industry recognizes importance of recovering paper and paper-based packaging**
- **Goals:**
 - Increase recovery rates
 - Decrease amount of products going to landfills
- **Voluntarily built complex & effective recycling infrastructure**
 - True sustainability success story
- **Believes market forces should guide recycling**



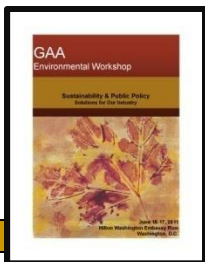
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Paper Has Highest Recovery Rate

Recovery of Products from the Municipal Solid Waste Stream

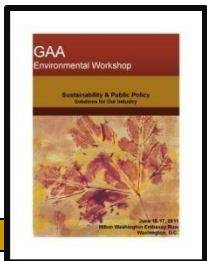
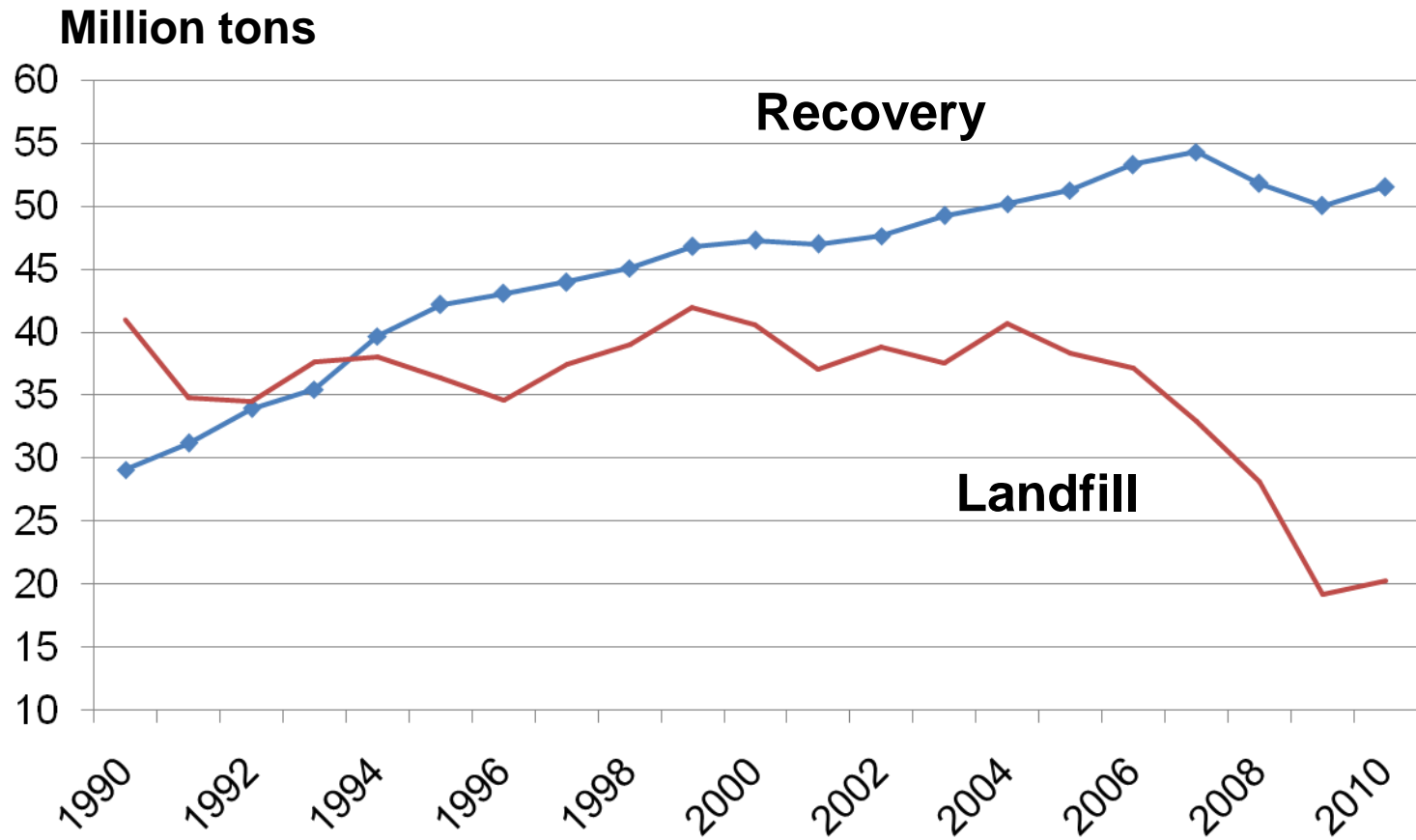
Product	Recovery Rate
Paper and paperboard	62.1%
Steel	33.5%
Glass	25.5%
Aluminum	20.3%
Plastics	7.1%

Source: U.S. EPA (Municipal Solid Waste: 2009 Facts and Figures)



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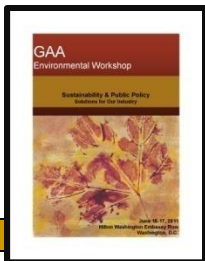
Reduction in Paper Landfilled (1990-2010)



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Industry Focus on Increasing Recovery

- **Continue to expand recovered fiber supply to help meet global demand**
- **Increase support for existing recovery infrastructure**
- **Continue to raise awareness, educate, provide tools and resources to improve recycling programs**
 - Businesses
 - Schools
 - Communities

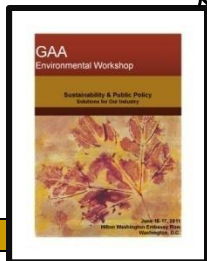
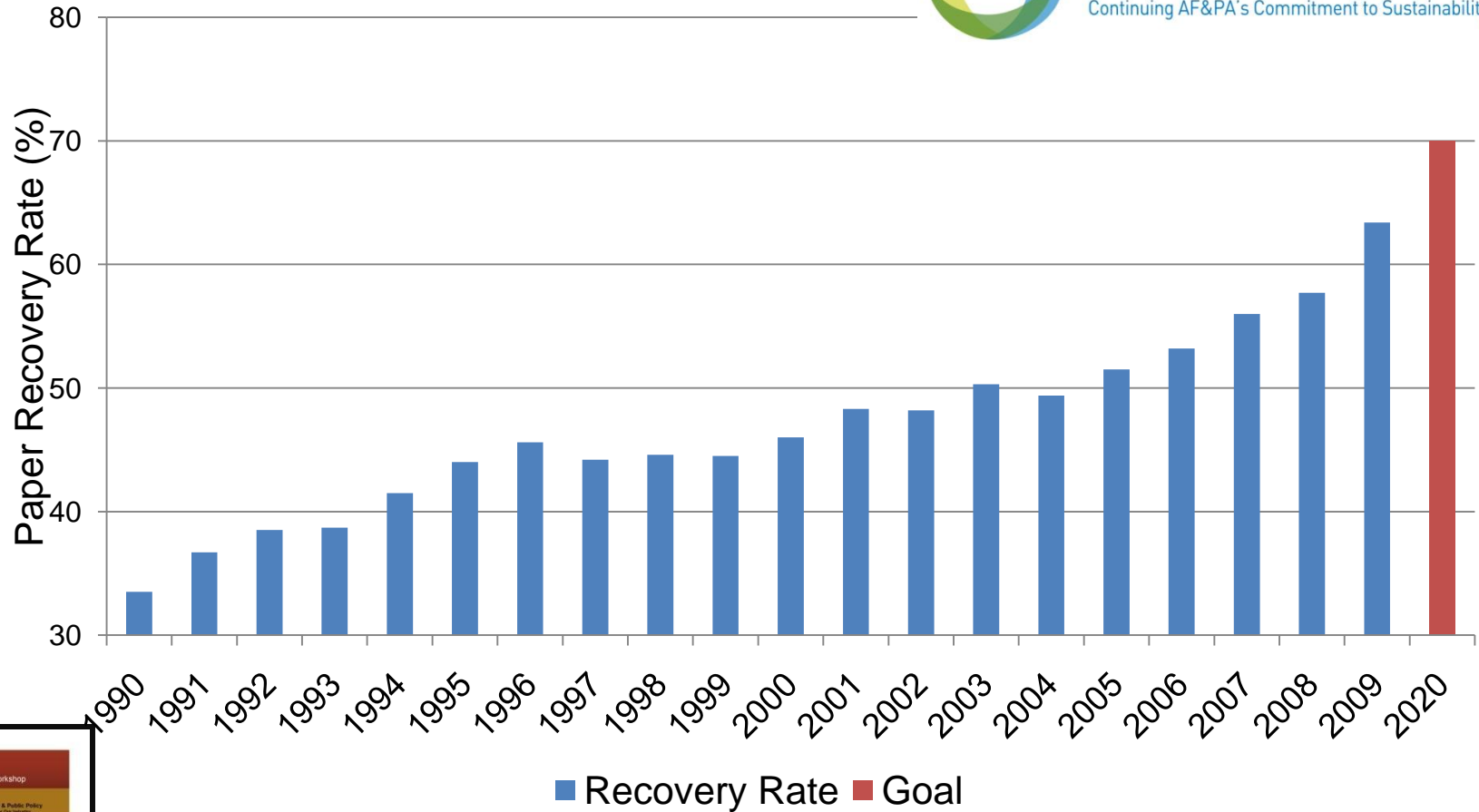


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U.S. Paper Recovery Rate for Recycling



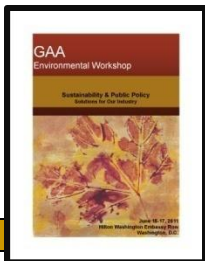
BETTER PRACTICES
BETTER PLANET 2020
Continuing AF&PA's Commitment to Sustainability



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Increasing Paper Recovery

- **Achieving the goal will take concerted effort**
- **Opportunities**
 - Education on environmental benefits (LCA, etc.)
 - Expanding existing recovery infrastructure
 - Expanding partnerships
- **Potential Obstacles**
 - Economic recovery?
 - Electronic displacement
 - EPR



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Recovery, Recycling and Extended Producer Responsibility

Jonathan M. Gold

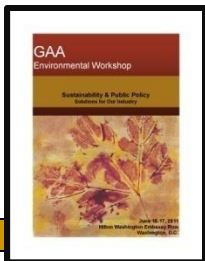
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