



# Scrap Tire Management Update

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# RMA Scrap Tire Activities

- Began in 1990
- Scrap Tire Management Council = RMA
- Sponsored by all RMA tire manufacturers
- Work with governments, scrap tire users, NGO's, general public to accomplish mission



# RMA Scrap Tire Strategic Goals

- To promote the elimination of all scrap tire piles in an environmentally and economically sound manner
- To promote the management of all annually generated scrap tires in an environmentally and economically sound manner



# RMA Scrap Tire Strategic Goals

- To seek public awareness of scrap tire management success
- To advocate for a legislative and regulatory environment that is conducive and supportive of the RMA scrap tire mission



# RMA Tire Company Members





# RMA Scrap Tire Market Report

- RMA conducts a biennial survey of scrap tire management in the U.S. and trends in the industry
- Most comprehensive source of scrap tire information available
- RMA surveyed state regulators and industry sources to obtain information
- 8<sup>th</sup> Biennial report published in November 2006



# RMA Scrap Tire Market Report

- New features of the report
  - Reports market and stockpile data in both weight and units
    - Previous data had been solely in units (“millions of tires)
    - Comparisons to previous years in units only
  - Revises ***Passenger Tire Equivalent (PTE)*** value to 22.5 pounds, up from 20 pounds
  - Publishes average tire weight of 33 pounds
  - Ranks state programs for effectiveness and most improved status



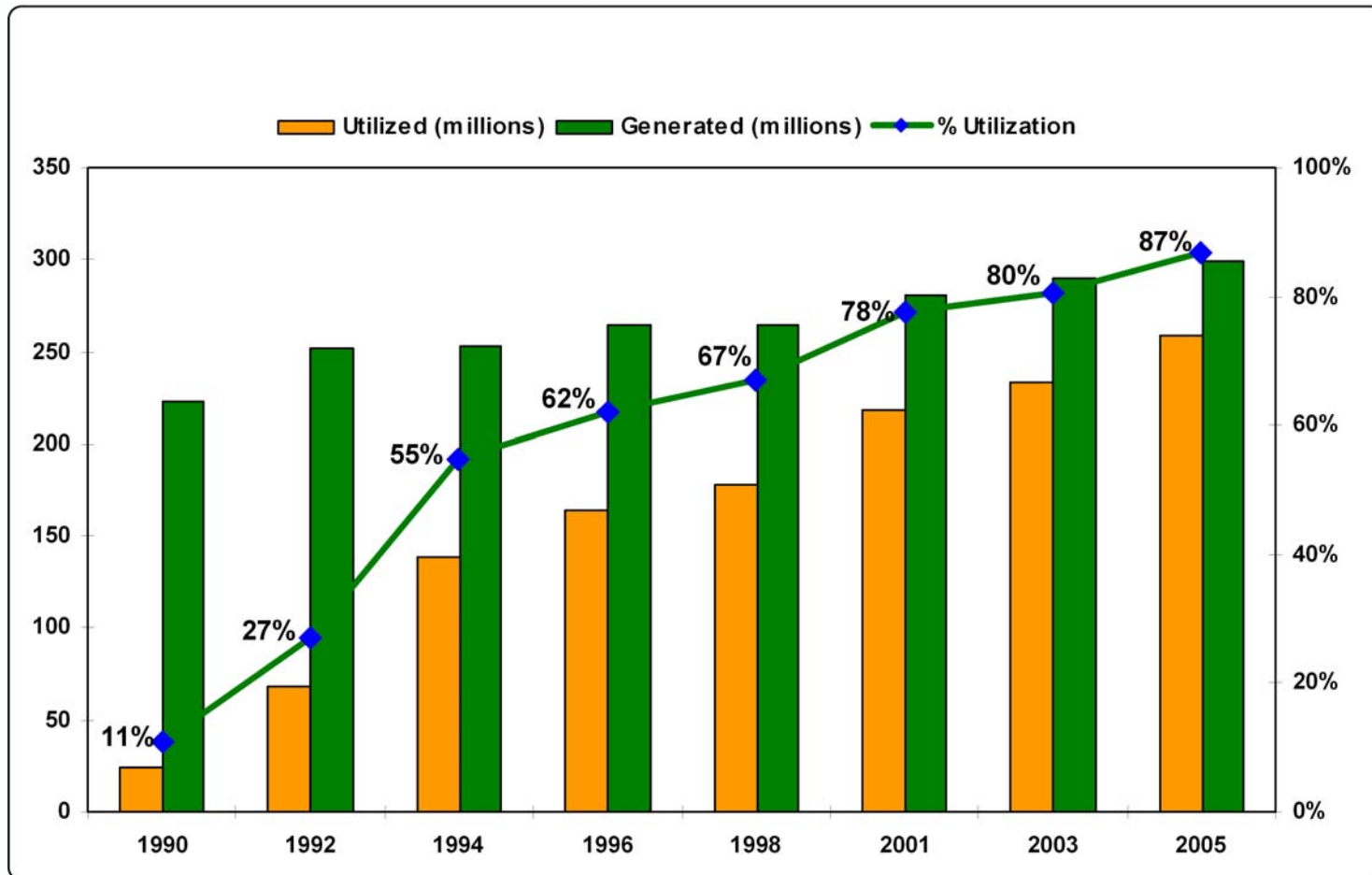
## US Scrap Tire Market Overview

- Nearly 87% of tires went to end-use markets, which equates to 82% of tire weight generated
- 188 million tires remain in stockpiles, down from 275 million in 2003 (30% reduction)
- Relative stability in most markets
- Quality, effectiveness and funding of state programs range widely
- State budgets being cut; personnel and services being curtailed





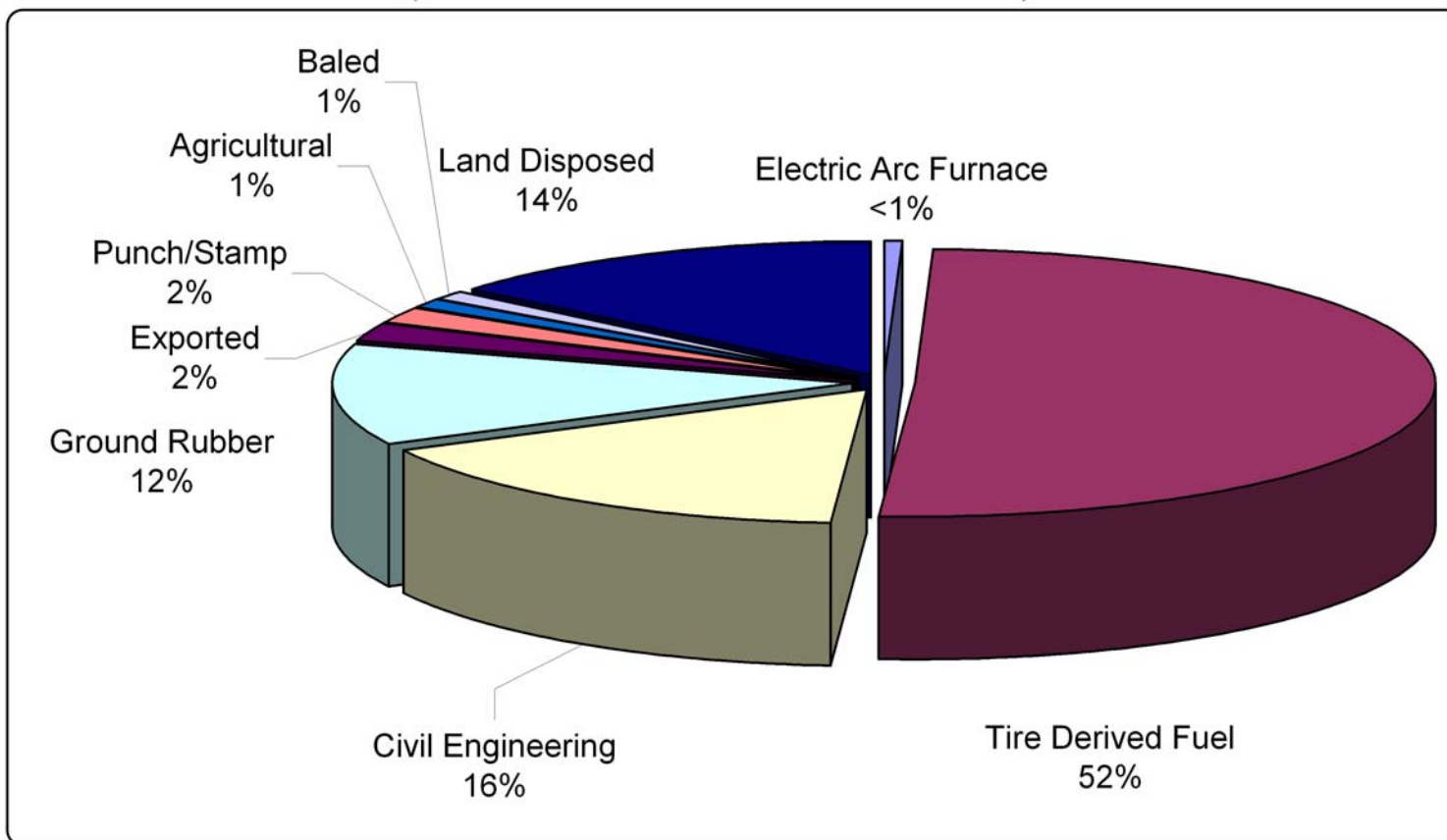
## U.S. Scrap Tire Management Trends, 1990 - 2005



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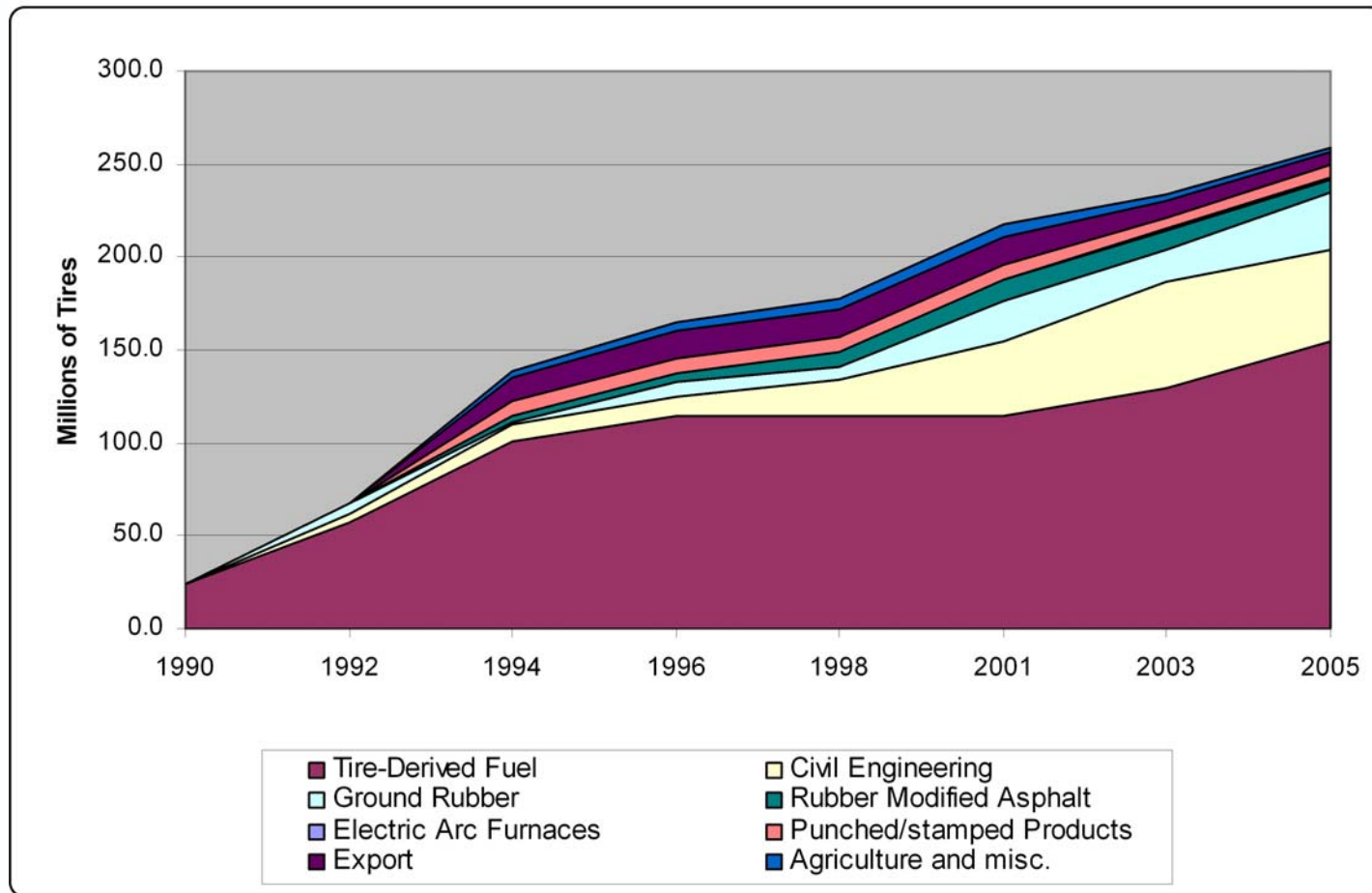
## 2005 U.S. Scrap Tire Disposition (in millions of tires)



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## U.S. Scrap Tire Market Trends, 1990-2005



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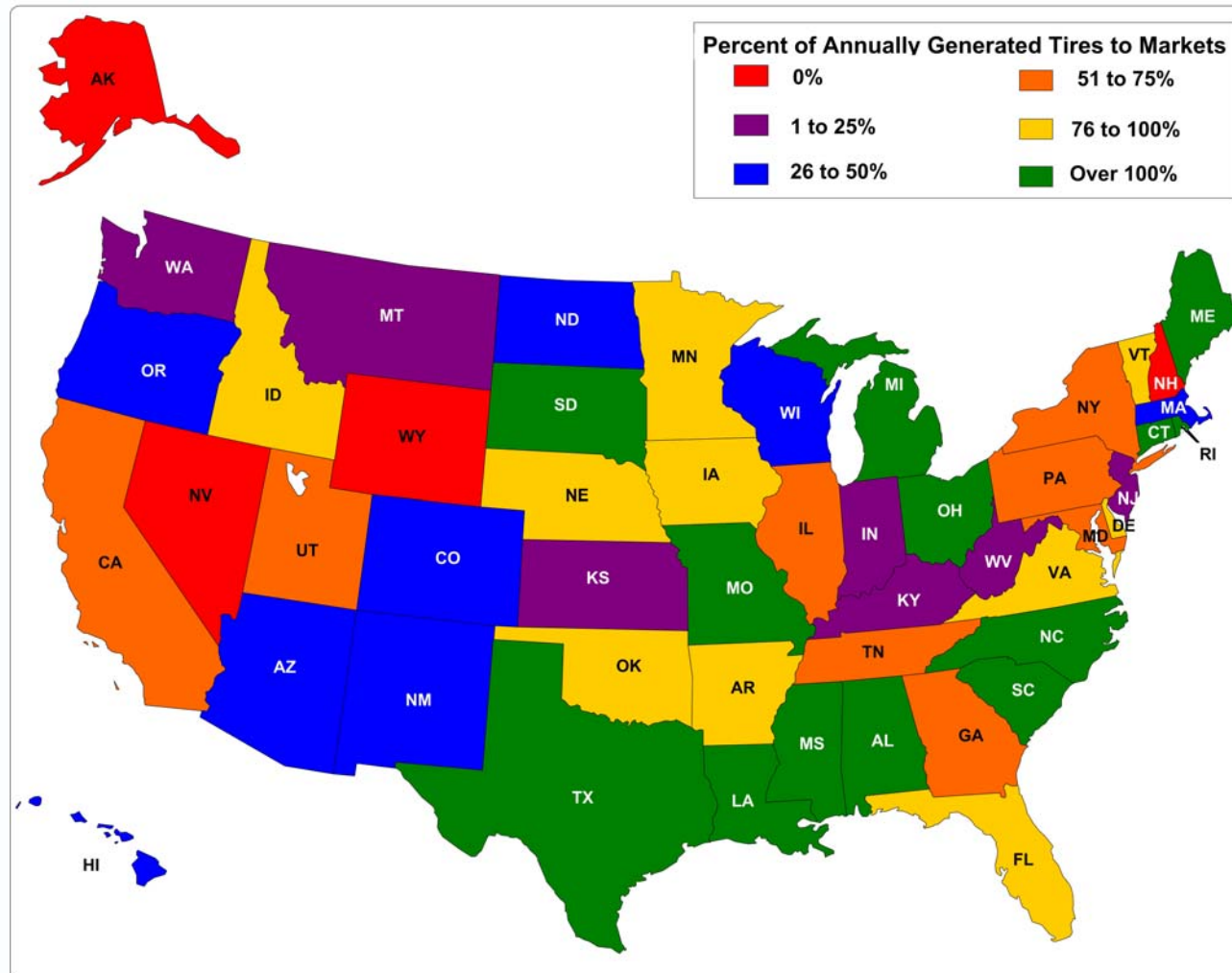


## US Scrap Tire Market Trends 2003 - 2005

- TDF market expanded 20%
- GR market expanded 36%
- CE market contracted 13%
- Use in EAFs did not meet exceptions
- All other markets remained the same



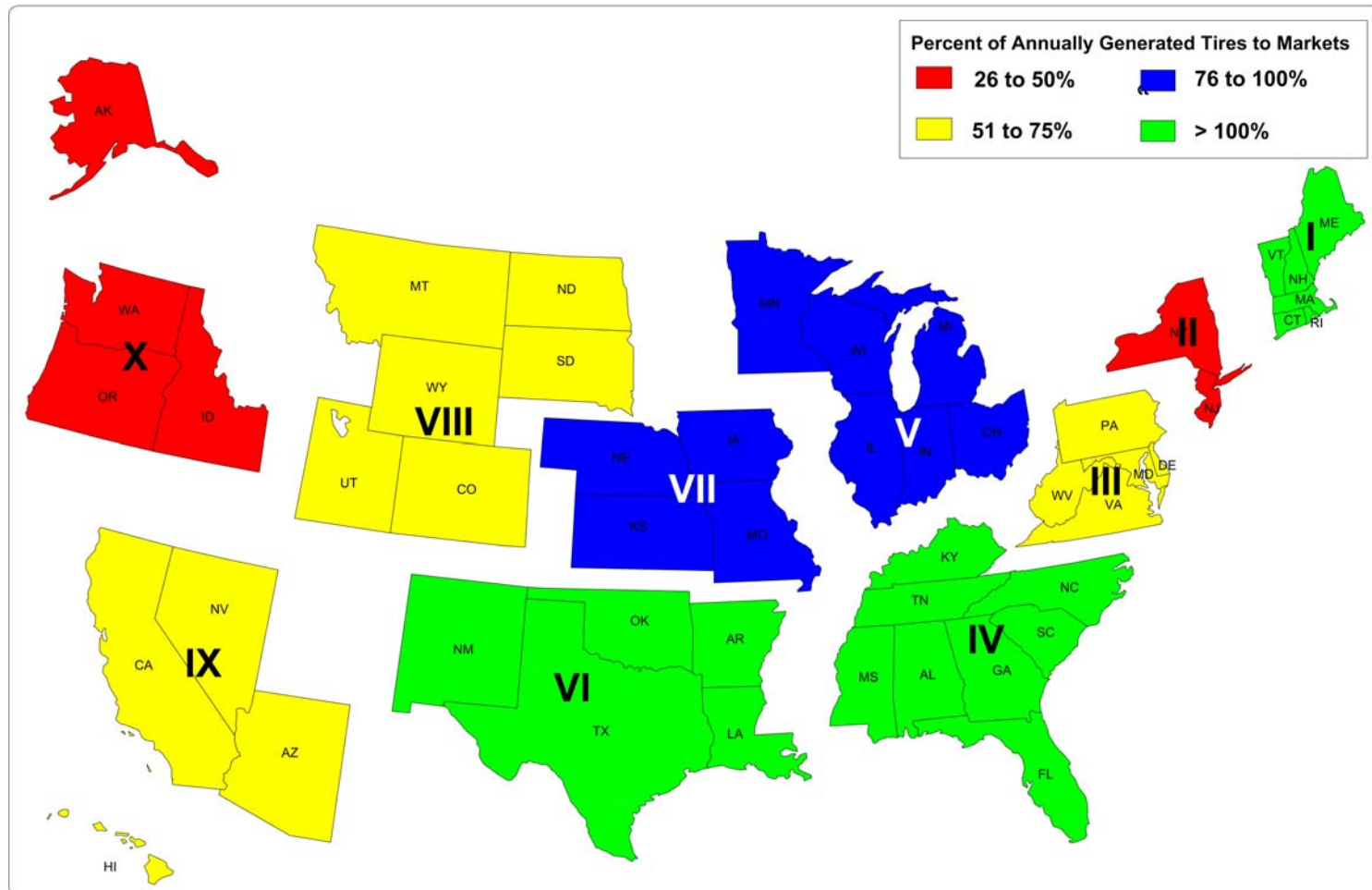
## U.S. State Scrap Tire Market Percentages, 2005



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## Percentage of Scrap Tires to Market by U.S. EPA Region, 2005



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## Regional Markets

- New England: Strong TDF markets
- Mid-Atlantic: Weak, scattered markets
- Southeast: Strong TDF & GR markets
- Southwest: TDF in Texas & RAC in AZ; all other states are struggling



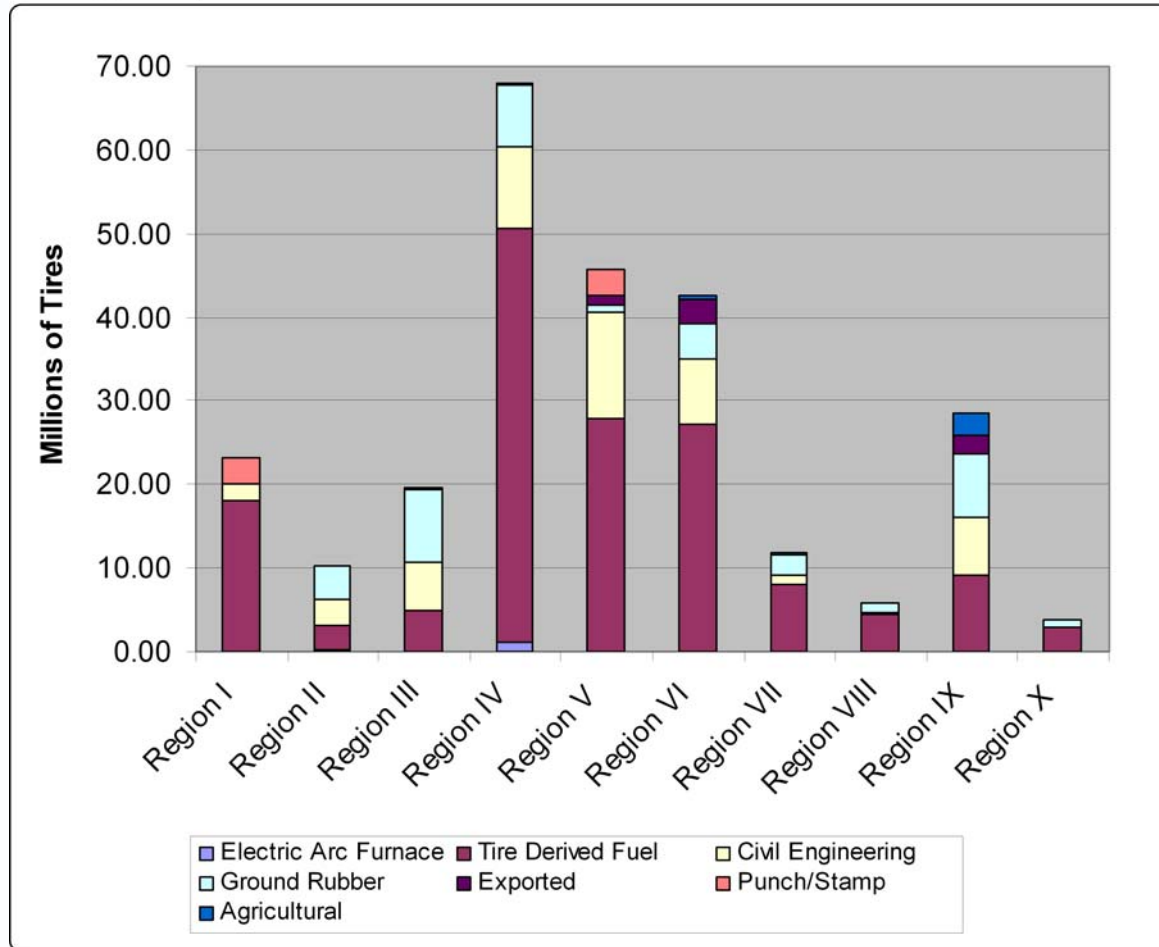
## Regional Markets

- Midwest: Recently lost some TDF markets, Other markets available
- North Central: Few markets available
- Plains States: Not a strong market condition
- West Coast: TDF & GR strong, but ability to landfill tires hurts the markets





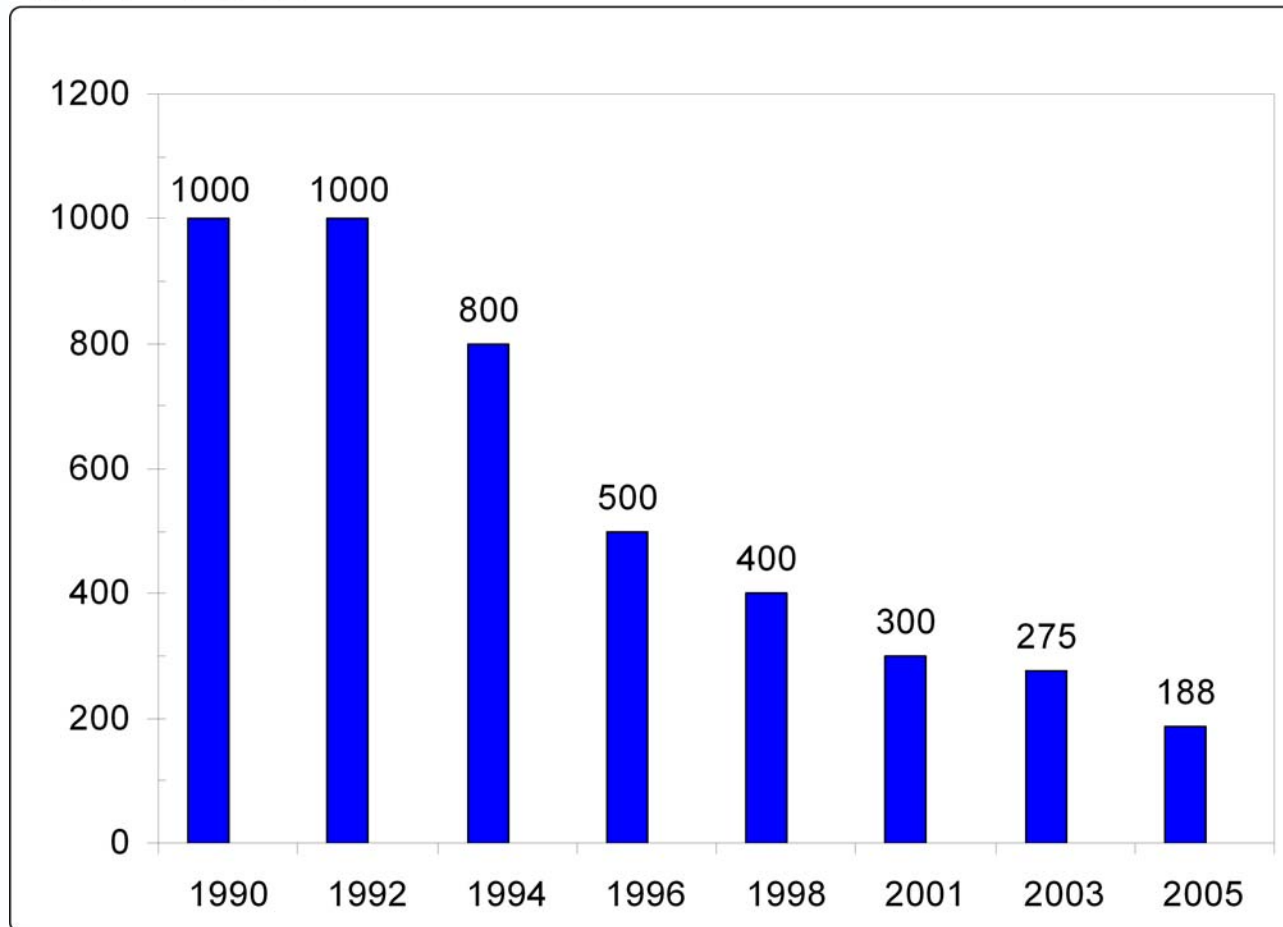
## Scrap Tire Market Distribution by U.S. EPA Region, 2005



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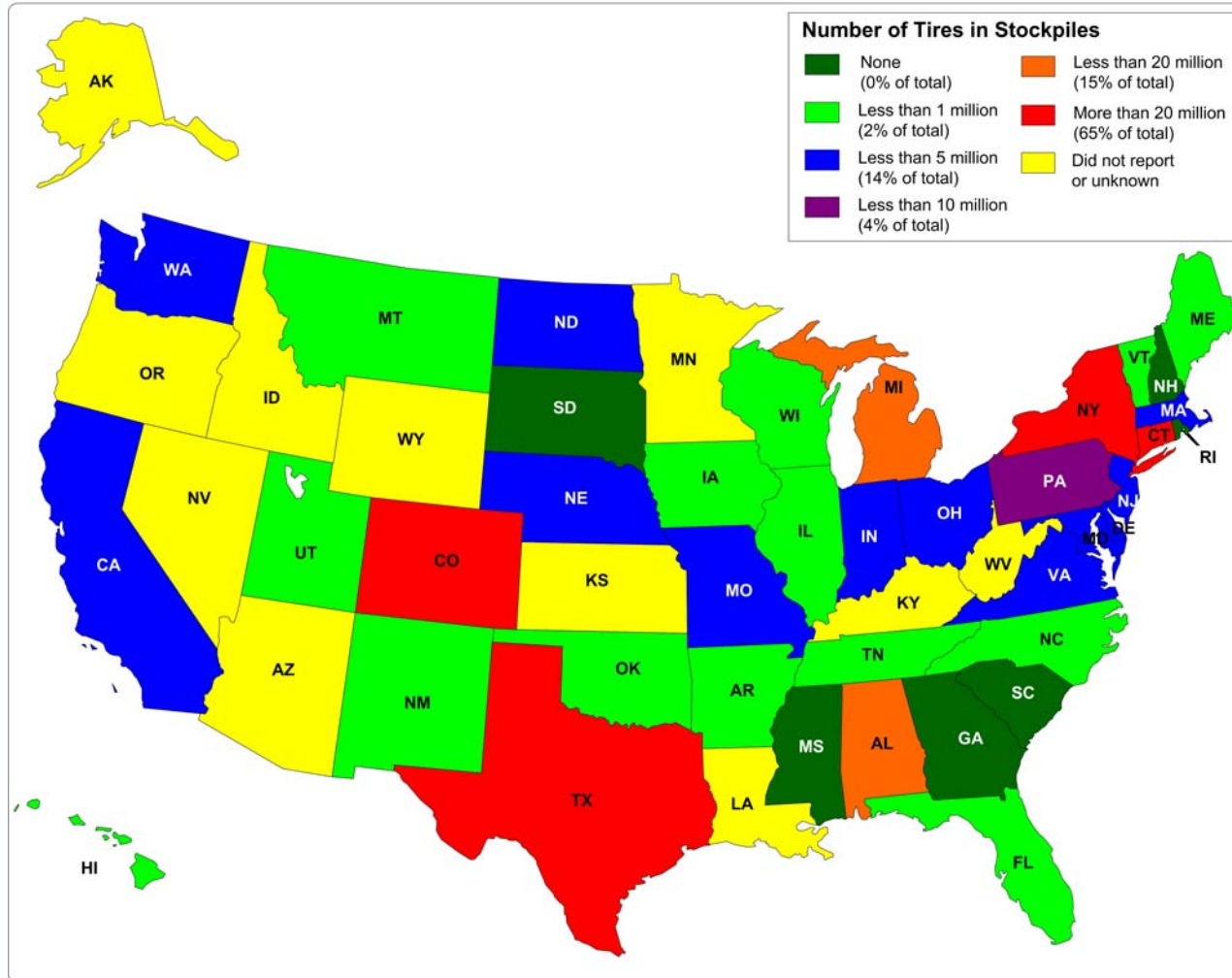
## Millions of Scrap Tires Remaining in U.S. Stockpiles, 1990 - 2005



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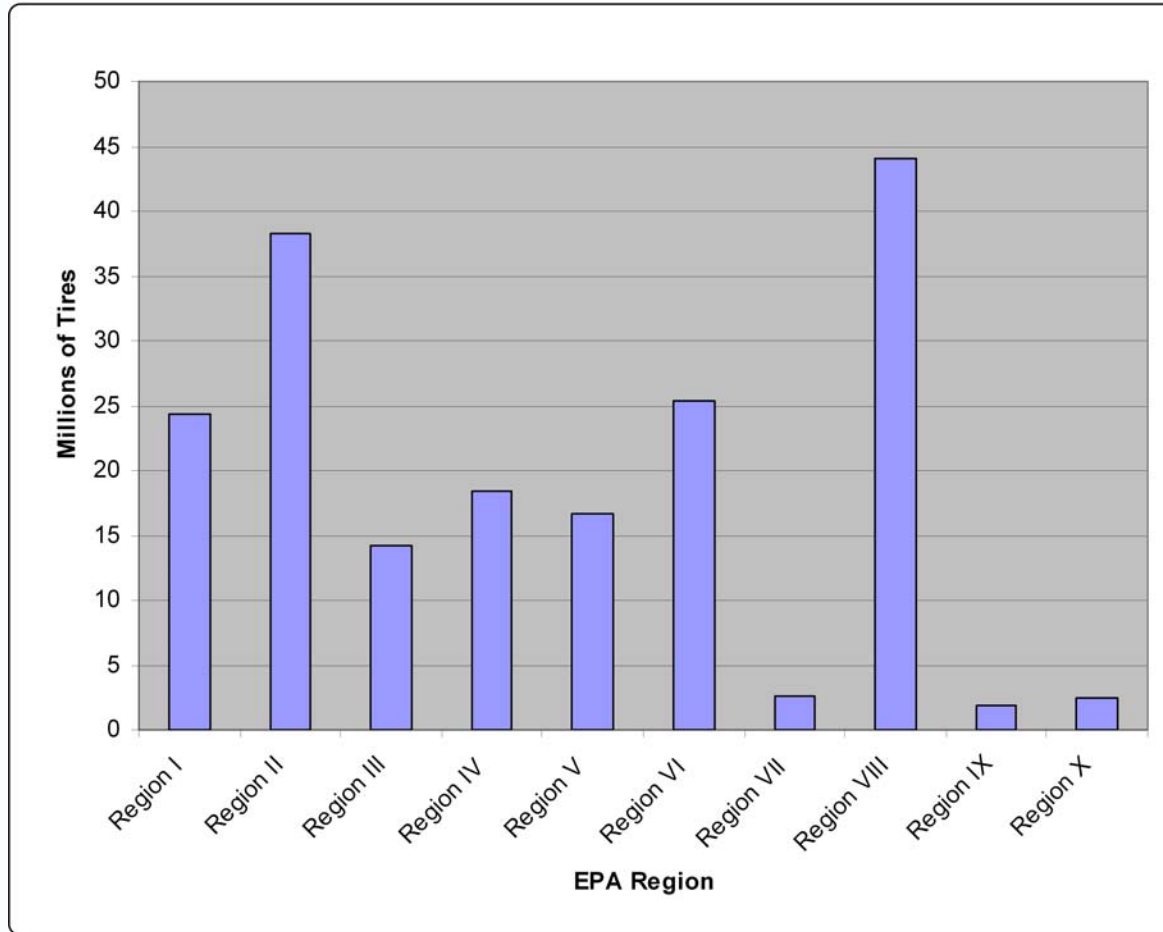
## Scrap Tires Remaining in Stockpiles in the U.S., 2005



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## Millions of Scrap Tires Remaining in Stockpiles, by U.S. EPA Region, 2005



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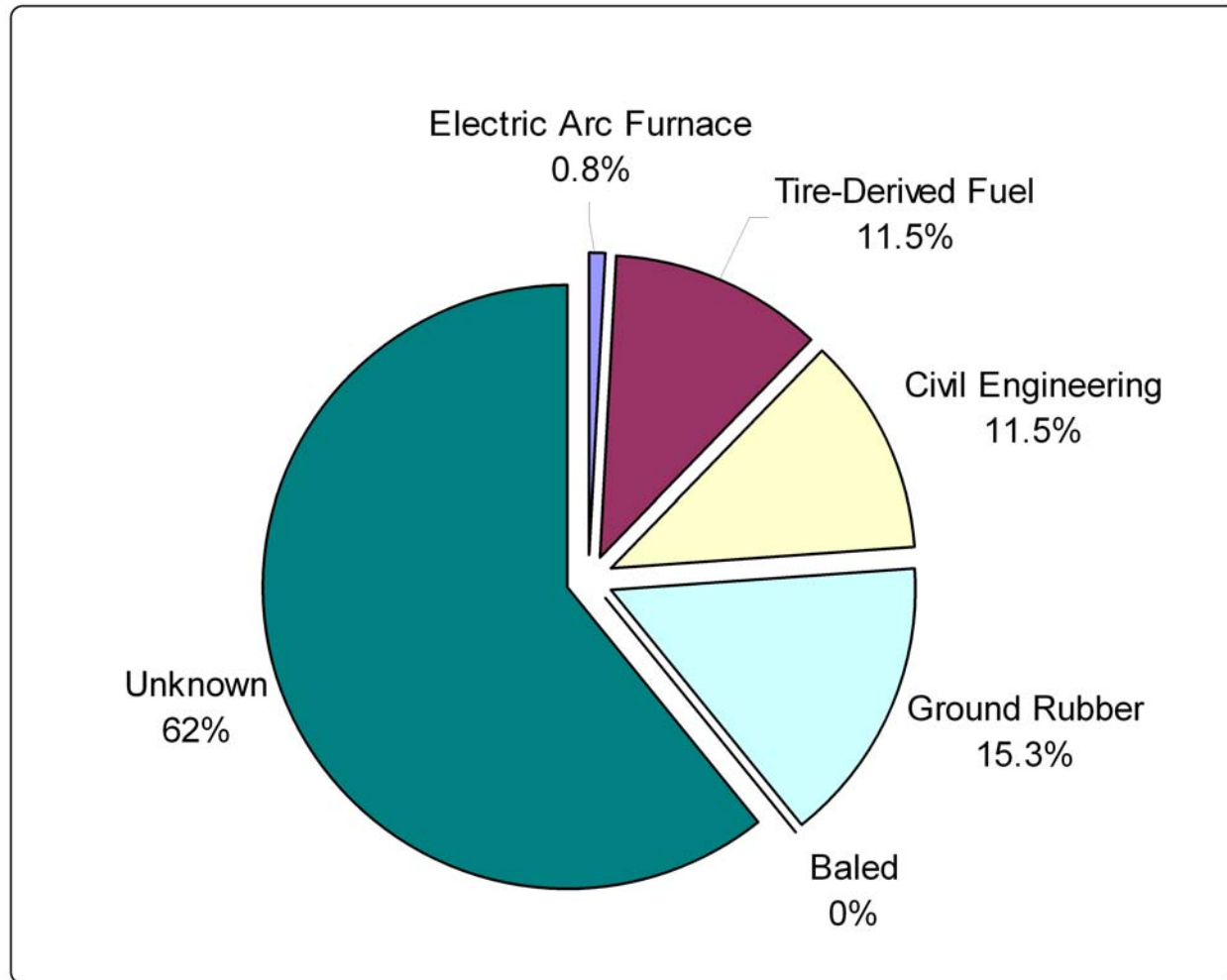


## Region II Summary

- Sufficient markets do not exist in New York and New Jersey
- Some tires go to Region I markets
- New York enacted legislation in 2002 but has yet to begin abating stockpiles or developing markets in earnest – 37 million tires remain stockpiled
- New Jersey enacted law in 2006 to address stockpiles, but markets do not exist to consume stockpiled tires



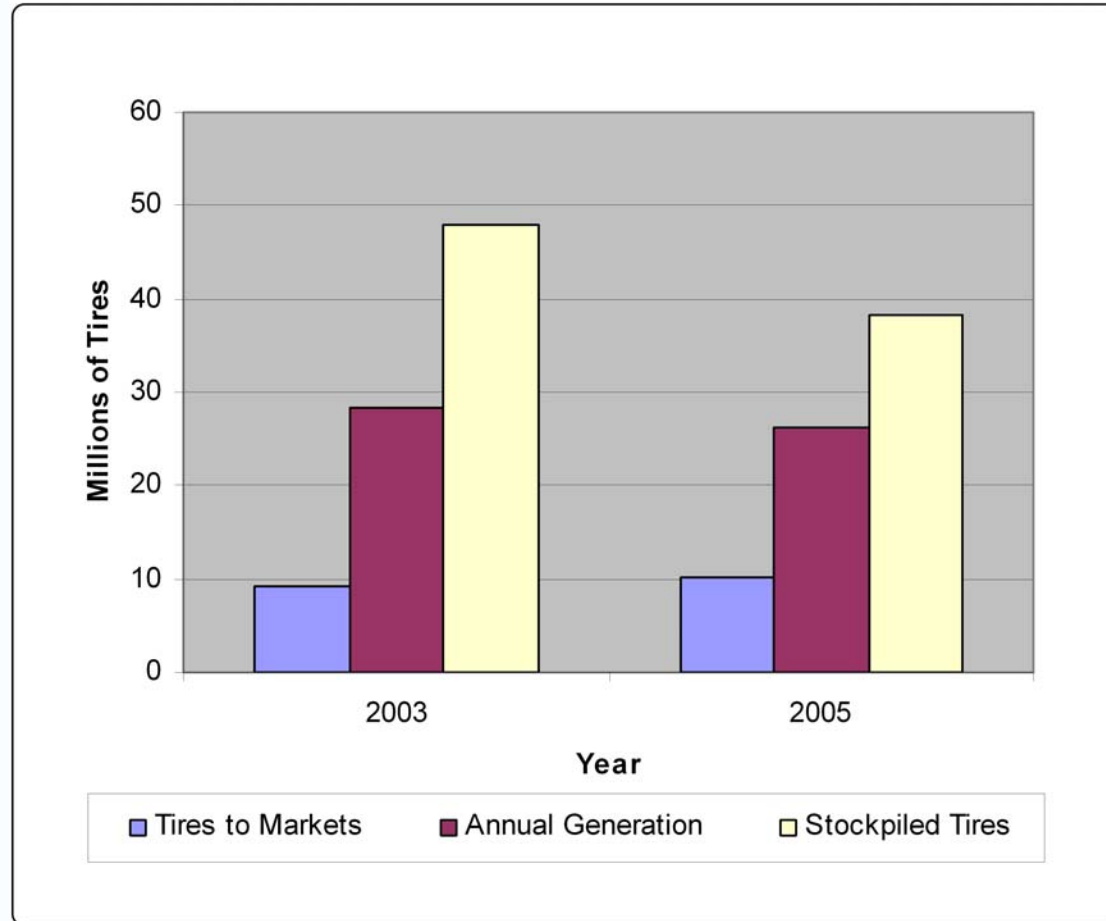
## U.S. EPA Region II Scrap Tire Disposition, 2005



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## U.S. EPA Region II Comparative Scrap Tire Statistics, 2003 - 2005



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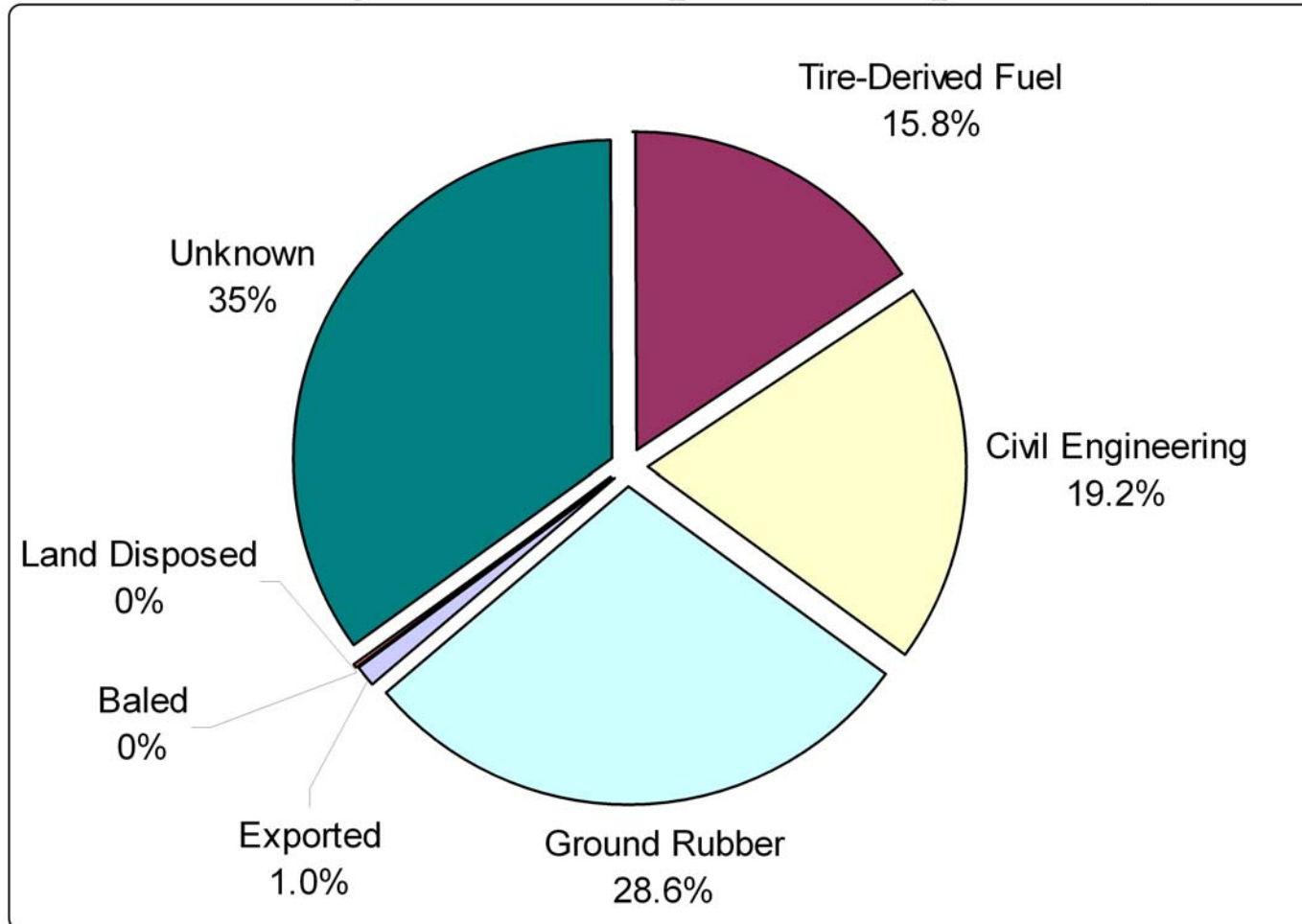
## Region III Summary

- Pennsylvania has moderately strong markets but continues to have over 7 million tires in stockpiles
- Pennsylvania fee on new tire sales funds public transportation, not scrap tire program





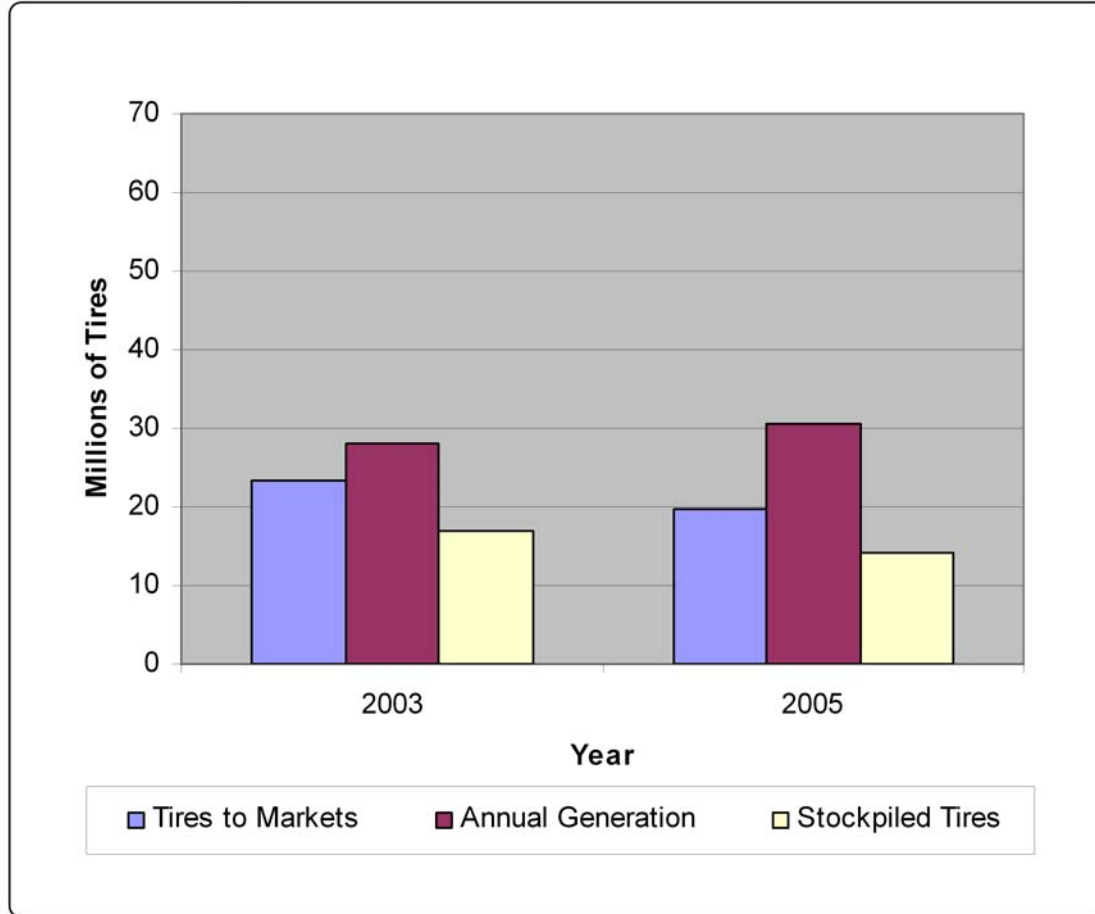
## U.S. EPA Region III Scrap Tire Disposition, 2005



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## U.S. EPA Region III Comparative Scrap Tire Statistics, 2003 - 2005



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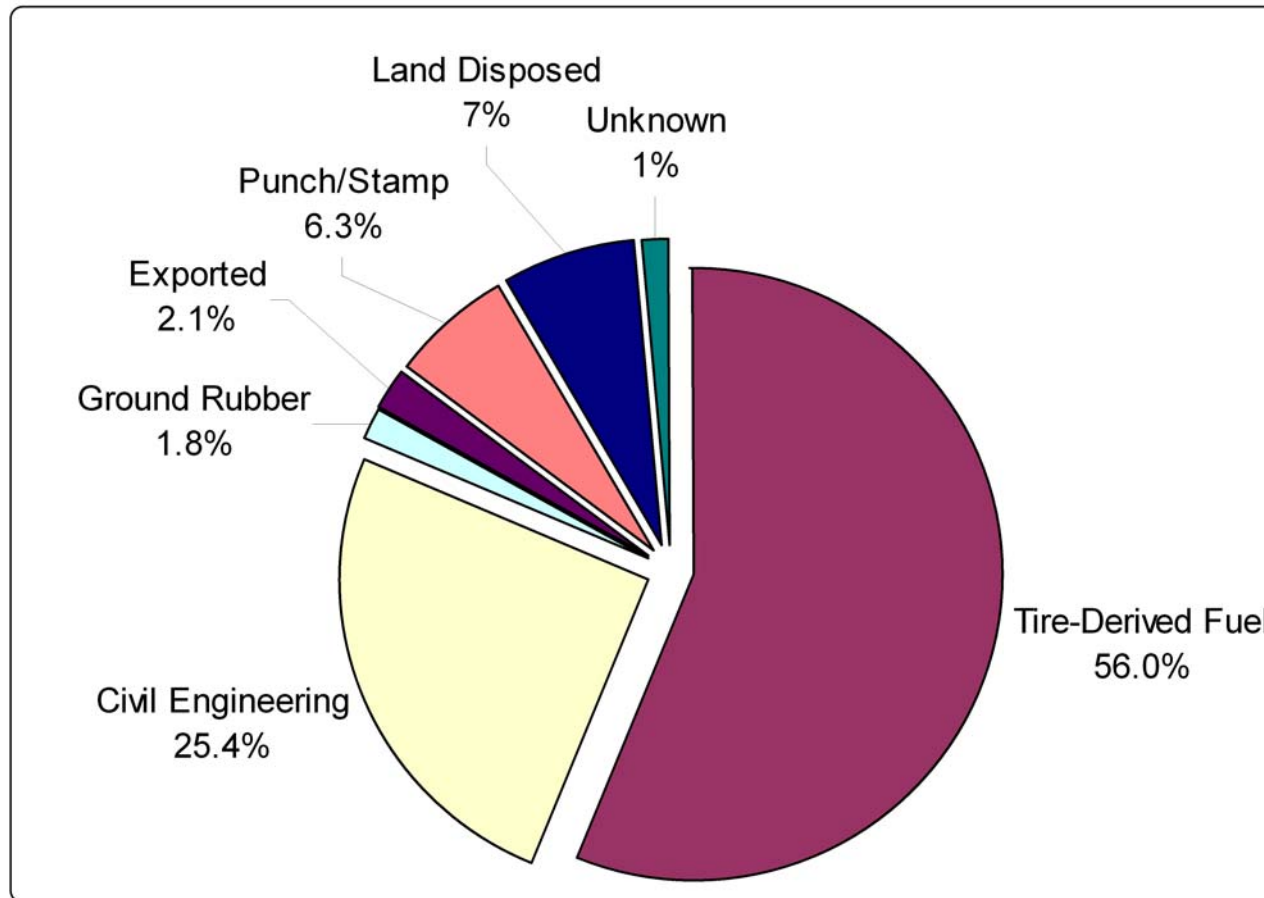


## Region V Summary

- Strong markets exist in Region
- Significant stockpile abatement achieved in Ohio
- Michigan forming scrap tire study group
- EPA Region V and Illinois EPA published a Stockpile Abatement Guide to assist governments in abatement activities
- Region V conducted stockpile mapping to identify locations of remaining stockpiles in Region



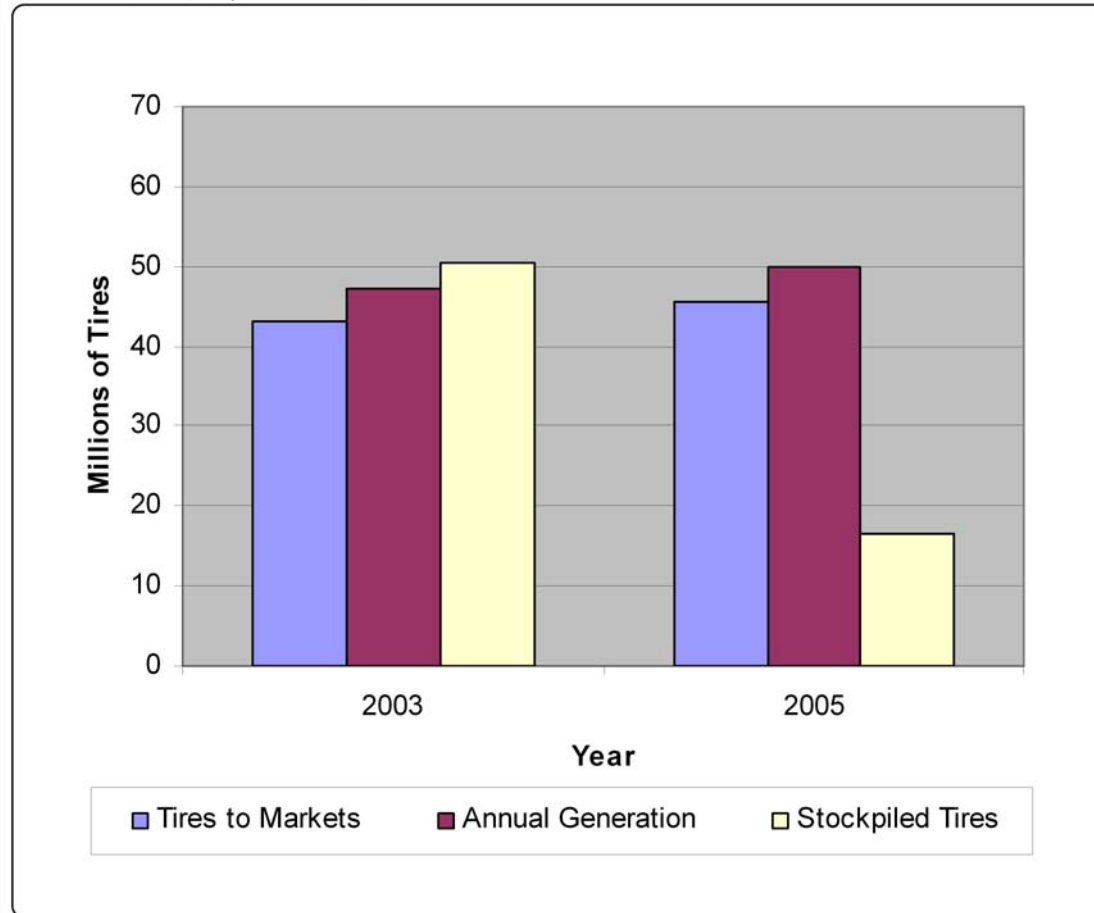
## U.S. EPA Region V Scrap Tire Disposition, 2005



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## U.S. EPA Region V Comparative Scrap Tire Statistics, 2003 - 2005



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## State Scrap Tire Program Rankings

- Two ranking categories: Best overall programs and most improved programs
- Rankings based on comparative data from 2003 to 2005
- Top 20 most improved states published
- Performance ranking includes all 50 states



## State Scrap Tire Program Rankings

- Overall program ranking based on population, percentages of tires going to markets, tires in stockpiles and tires to landfills
- Most improved ranking based on reductions in stockpiles and increased markets for scrap tires



## Best Performing States in 2005

<i>State</i>	<i>Performance Rank</i>
<b>South Carolina</b>	<b>1</b>
<b>Maine</b>	<b>2</b>
<b>North Carolina</b>	<b>2</b>
<b>Florida</b>	<b>4</b>
<b>Mississippi</b>	<b>5</b>





# Most Improved States in 2005

<b><i>State</i></b>	<b><i>RANK</i></b>
<b>Texas</b>	<b>1</b>
<b>Alabama</b>	<b>2</b>
<b>Ohio</b>	<b>3</b>
<b>Michigan</b>	<b>3</b>
<b>Massachusetts</b>	<b>5</b>
<b>New Jersey</b>	<b>5</b>



# Factors Impacting the Markets

- States need to maintain focus on market development and enforcement of regulations
- Entrepreneurs need to seek expansion of markets rather than alternate markets for tires already entering markets
- Quality of products always important



## State Issues Impacting Markets

- Some states have no one assigned to focus on scrap tires
- Funds have been reduced or removed
- State policies still restrict some markets
- State grants to public entities not obtaining desired results



# Conclusions

- Tire funds should be used to reduce barriers and increase demand for products, not for purchase of products, demonstration projects or pilot projects
- Market solutions should be based on local or regional resources
- Stockpile abatement will continue but not at rate seen in 2004 and 2005.



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