

FACT SHEET
on the
PLASTICS RECYCLING FOUNDATION

Why Was It Founded

The Plastics Recycling Foundation is to be incorporated by December 31, 1984 as a not-for-profit corporation in the state of New York. The Foundation was initially funded with a \$50,000 contribution from the Plastics Issue Management Committee of the SPI largely in response to:

o Long term Need for Foundation: As plastic packaging continues to penetrate more markets, the amount of plastics that enters the solid waste stream is also increasing. This coupled with the fact that many communities are running out of landfill and state governments are being pressured to find alternate solutions to landfilling consumer wastes.

It is anticipated that the growing legislative trend will be legislation to mandate the separation and recycling of all packaging materials. Those which are not recyclable will be viewed as nonessential. State environmental agencies will seek outright bans against packaging materials which are not recycled.

Competitive packaging materials which are being recycled (aluminum, steel, glass, and paperboard) will use this as a marketing advantage.

Immediate Impetus for the Foundation: The New Jersey Office of Recycling has proposed that New Jersey enact legislation to mandate the recycling of all food and beverage containers. It would also mandate the coding of all plastic food and beverage bottles by resin type, on the premise that they could then be source separated for recycling. If certain types of containers are not recycled, under the proposal they would be banned. It is anticipated that legislative proposal will be introduced in 1985 and that they will receive serious consideration. (It should be noted that NJ has a critical shortage of landfills).

What Will the Foundation Specifically Do

The Foundation has as its primary initial objective the formation of a Plastics Recycling Institute at a university research facility. The initial project to be assigned will be the erection and operation of a process to recover PET and HDPE from post-consumer plastics beverage bottles. This technology has been donated to the Foundation by Owens-Illinois. Owens-Illinois has indicated that the technology has already been proven on a small scale.

As the programs sponsored by the Foundation proceed, it is anticipated that new research and development opportunities for cultivating the recovery and recycling of other plastics (i.e. other than PET and HDPE) will be identified. The Board of Directors of the Foundation will be charged with directing this effort.

Where Will the Plastics Recycling Institute be Located

Preliminary discussions have already been held with a number of institutions, including Rutgers University, Stevens Institute, and the New Jersey Institute of Technology -- all located in the State of New Jersey. New Jersey is probably the state in which the Institute will be located, not only because New Jersey will be considering legislation relating to the recycling/banning of plastics, but also because there are a number of production facilities in the state where plastics containers are manufactured, filled and marketed.

How Is The Effort to be Funded

The Foundation is to be funded by corporations and businesses with an interest in improving and expanding plastics recycling. Contributors to the Foundation are planned to include producers of plastic resins and products, plastic packaging and recycling equipment suppliers, companies that use plastic packaging for their products and associations such as SPI. The Foundation will seek grants from governments and other foundations.

The State of New Jersey Governor's Commission on Science and Technology and the NJ Department of Environmental Protection have both expressed an interest in financially contributing to the effort in FY 85-86 (presumably if the Institute is located at a NJ university).

As a result of a December 12 briefing for interested constituencies, approximately \$270,000 has been pledged (as of 12/18/84). The projected budget for 1985 is \$1 million. It is hoped that the licensing of the technology developed by the Institute's initial project and promotion to companies interested in it as a commercial venture will offset future budgets.

How Will the Foundation be Managed

The Board of Directors of the Foundation will be responsible for overseeing the Institute and for the Foundation's budget and research programs. The Board will be composed of one director for each \$50,000 first year contributor; one for each three associate members (those contributing \$25,000); and one for all supporting members (those contributing less than \$25,000).

Should the VI or Member Companies Contribute

It is clear that the activities of the Foundation and the Institute will focus during the initial year at least on the pilot demonstration facility processing PET and HDPE. When and to what extent the activities of the Foundation focus on other plastics (such as PVC) will depend on a number of factors including:

- o Research interests of the university selected to house the Institute
- o Exploration of options other than recycling for PVC
- o Complexion of the Foundation's Board of Directors
- o Size of the Budget

The extent to which the VI and/or member companies financially support the Foundation is a matter for the Executive Board to consider.

TEN 42,154,50

TEN 2826