

RETURN RATE
74.73%
(AS OF SEPTEMBER 30TH, 2010)

FALL

► NOTICES:

New tags (bulk bags) should start appearing later this fall. These new tags have an integrated bar code and are of superior quality. Changes were deemed necessary due to the ever-increasing volumes of bags and quality control issues pertaining to the traceability. (illustration)



► VISITS TO THE QUALITY CONTROL DEPARTMENT

In the event that RC's would like to visit our Quality Control Department, Encorp Atlantic and our service provider, Hebert Recycling, have an open door policy in terms of visits to the QC. If you want a first-hand look at how we count and ensure quality control on your containers, just drop in at 53 Walsh Avenue, Miramichi, during regular working hours (no appointment necessary).

► TURNAROUND!

1.5%

An 'amazing turnaround' is certainly the best way to describe the progress made by redemption centers over the course of the busy summer months as it pertains to accuracy in count levels.

As you recall, Encorp management had concluded that the adjusted average for all centers prior to June 1st in NB varied between 6% and 7%. Recent results indicate that the new average is 1.5% (June to August, adjusted average for all NB Centers).

While a considerable number of RC improved their accuracy, others (less than 15%) still need to review their bag counts or face a significant adjustment once they receive their scorecard. Overall, this is a very positive outcome that is totally due to the efforts and cooperation of individual redemption centers and the Eastern Recyclers Association (ERA). Again, Encorp wishes to thank all RC's for their efforts in this matter.

A simple reminder that each percent (all RC combined) of inaccurate counts represents a \$150,000 per year in lost revenues for the NB Environmental Trust Fund. (illustration 1.5%)

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▶ CAPS OFF, PLEASE!

We are currently working on the development of a promotional campaign to remind the public to remove bottle caps and rinse and clean containers before redeeming to their local redemption center. The campaign will include promotional items at RC's with handouts to the public as friendly reminders. Bottle caps are an aggravation and, quite honestly, a waste of time for workers at RC's. Stay tuned!



▶ STUDENT AMBASSADORS

Recycle New Brunswick's environmental ambassadors were busy this past summer with visits to nearly all RC's in the province. Ambassadors also visited schools and local festivals promoting the values of the 3R's! The students were unanimous in stating that all redemption centers were most accommodating and very helpful. A final report with observations will be available later this fall.

▶ RETURN RATES

(Canadian Recycling Affiliates)

A comparison of other similar used beverage container programs across the country shows that on a year-to-year basis our New Brunswick program really does measure up.

- British Columbia 79%
- Alberta 77%
- Saskatchewan 86%
- Newfoundland & Labrador 68%
- Nova Scotia 80%
- New Brunswick 75%
- Prince Edward Island 78%

▶ BULK BAGS

Encorp acquired nearly 1,000 bags in mid-summer to compensate for the damaged bags in our current inventory. This was deemed necessary in light of the delays in receiving the 10,000 new semi-transparent bags ordered in the Spring. Now, it seems that the new bulk bags will likely appear in mid-November. All bulk bag suppliers in North America actually purchase their bags in Asia. In spite of better pricing, the amount of time required after you've placed an order is over 20 weeks, barring any delays. In the case of Encorp, receiving the sample bags from the suppliers for approval also contributed to the long delays. All in all, this process has been very frustrating for everyone involved. Our goal is to replace all existing bags by year end and revert back to a larger 1m³ size.

We will also be tracing all Encorp bags in the future. An evaluation is currently ongoing on the number of bags required by RC (bag allotment) on a weekly/monthly/seasonal basis. Essentially, we are looking at a smarter way of managing the flow of bags in our system. All current bags will be taken out of service once new bags are introduced and only the new bags will be accepted for collection once the new inventory of bags has been distributed.

▶ MATERIAL MARKETS & RETURN RATE:

Markets have shown no significant changes other than marginal fluctuation for PET while aluminum has seen a slight increase for the period.

The Return Rate has seen a marginal decrease in recent months. This is due in large part to enhanced sampling on Quality Control and the implementation of the new Count Adjustment Formula that commenced on June 1st. The Return Rate as of September 30th; is **74.73%** compared to **79.9%** the previous year.

OVERVIEW OF MARKET PRICES US\$/LB FOR BALED MATERIAL:

	Aluminum	PET	Exchange
Sept. 2008	\$.76	\$ 0.185	1.059
Sept. 2009	\$.60	\$ 0.105	1.06
Sept. 2010	\$.75	\$ 0.18	1.003
December	\$ 0.72	\$ 0.12	1.02
March 2010	\$ 0.74	\$ 0.22	1.01
June	\$ 0.64	\$ 0.165	1.03
As of Sept. 30 th 2010	\$ 0.75	\$ 0.18	1.003

MARKET SNAP-SHOT / 3 YEAR PERIOD IN US \$/LB

	Aluminum	PET
High ▲	\$ 1.09 August 2008	\$.23 April 2010
Low ▼	\$.44 April 2009	\$.04 December 2008

* These figures are based on monthly averages

YEAR TO YEAR-REFUNDED UNITS:

	Aluminum	Glass	PET	Other	Total
Oct. 08 – Sept. 09	68,019,020	3,521,596	72,996,710	19,553,999	164,091,325
Oct. 09 – Sept. 10	64,803,265	3,207,385	74,234,828	18,691,069	160,936,547
Qty (Yr to Yr)	(3,215,755)	(314,211)	1,238,118	(862,930)	(3,154,778)
% (Yr to Yr)	(-4.73%)	(-8.92%)	1.70%	(-4.41%)	(-1.92%)