



Outdoor Advertising Association of America

Recycling Business Practices

Many outdoor advertising companies are working hard to be good environmental stewards and to institute eco-friendly building and business practices. In some cases, OAAA members are building “green” plants, using solar and wind energy to power billboards, or using biodiesel fuel in their fleet vehicles.

However, many of our members have struggled to find a bona fide, certified and audited recycling program for the types of substrates the industry uses. Initially, many of our members thought that recyclers would be competing with each other to see who would offer the most money to take away and recycle the industry’s used materials. The industry quickly learned that recycling polyethylene (PE) and polypropylene (PP) and particularly polyvinyl chloride (PVC) isn’t like recycling aluminum cans.

This was very surprising to some, as every week someone is knocking on the door claiming to be a recycler and offering to pay money to cart off and recycle the industry’s used material. Furthermore, there is often confusion over exactly what recycling means. For instance, some believe that giving a product a second use is recycling.

In order to assist our members, OAAA created a member committee and with assistance from an environmental consultant, the committee identified the critical criteria necessary to implement a credible recycling program.

This process has lead OAAA to establish a set of business practices for recycling substrates based on these criteria and OAAA strongly encourages its members to follow these criteria when selecting a recycling company. Adherence with these business practices will satisfy the concerns of our advertisers, make the industry stronger, and enable the outdoor advertising industry to become a good environmental steward.

Recommended Practices

1. *Billboard companies have a responsibility to protect its advertiser’s brand integrity. The following bullets provide recommendations that a company can take to accomplish this significant responsibility.*

- **Insist on a Recycling verse Reuse Program for PE and PP substrates**

Recycling means a manufacturing process used to create a new product. For instance, when paper is recycled, it’s broken down, scrubbed, and reformulated to make new paper. In reality, most of the companies offering to recycle our materials don’t recycle our materials. Instead, they are reusing our materials with the copy intact.

Reusing means not significantly changing a product and simply reusing it, for the same or different purpose. Our material is often reused where it becomes:

- Book bags;
- Fish pond liners;
- Roof covers in Mexico; and
- Flooring in Costa Rica.

However, the bulk of the industry's material is sent to China and who knows where it goes from there.

While reuse of a product that already exists is typically acceptable, preferred, and considered an environmentally responsible strategy, in this case, the outdoor industry is faced with three (3) problems:

- ⊖ Advertisers take a dim view of turning on CNN and seeing their advertising copy on a roof in a third world country;
- It is PVC and it is almost irrelevant whether the environmental damage caused by PVC is more perception than reality. Environmental activist groups all over the world are targeting PVC as if it were the vinyl substrate cousin of asbestos and some are calling it "plastic poison"; and
- Many people believe that it is irresponsible to export used materials to developing countries.

For the foregoing reasons, OAAA members should insist on a recycling verse a reuse program for PE and PP substrates.

- **Mandate a Responsible Reuse Program for PVC substrates**

While it is theoretically possible to recycle PVC, it is not cost effective to do so. Accordingly, the industry should ensure that used PVC products are responsibly reused or disposed. Therefore, any responsible recycling program should specifically set forth the approved reuses and contain requirements to conceal the advertising copy during reuse. The committee will continue to investigate better solutions for the disposal of PVC products and provide further guidance as additional solutions are discovered.

- **Include an Indemnification Clause**

Any recycling agreement should contain an indemnification clause. An indemnification clause is a contractual clause which requires one party to hold another harmless for certain specified claims, losses or damages. In the case at hand, a billboard company should require the recycler to indemnify the billboard company for any damages resulting from unauthorized reuse.

2. Billboard companies must demand accountability for responsibly disposing of used material.

- **Demand Accountability**

The best way to ensure that materials are properly disposed is to actually witness the processing of the used material. However, this responsibility is difficult to maintain if products are shipped to other countries for processing. Therefore, it is recommended that OAAA members select a recycling company which processes its materials domestically or at the very least, OAAA members should conduct periodic on-site visits to the processing facility to evaluate the risks.

- **Require Detailed Chain of Custody Documentation**

Chain of custody refers to the chronological documentation, and/or [paper trail](#), showing the control, transfer, and disposition of material. A detailed recycling chain of custody should contain the following information:

- The amount of material that was picked up;
- The amount of material reprocessed and waste resulting from the recycling process; and
- Documentation regarding the quantity of end-use goods produced.

- **Require Semi-Annual Reports**

Member companies should require a semi-annual report consolidating all the information contained in the chain of custody documents. This information will prove invaluable in supporting any recycling claims.

3. The coordination of pick-up and transport of the used material presents a challenge for most recycling companies.

Transportation logistics can be accomplished in an efficient manner without the use of bailers and loading docks, thus reducing the initial investment required by industry members. Minimum pick-up quantities may be required by the recycling companies to make this process more efficient and less costly. Therefore, members should insist on a recycling program that does not require bailers and loading docks. Furthermore, the contract should set forth reasonable minimum pick-up quantities, reasonable timeframes for pick-up and a liquidated damage provision for delayed pick-up.

4. There is a market for used billboard materials.

Billboard PE and PP substrates can be recycled. However, some of the inks and additives used to create attractive advertising copy results in a very low grade product with limited value to recyclers. Nevertheless, there is a market for the used products. Furthermore, used PVC has value. Accordingly, the recycler should offer payment for the used material. However, the price per pound will vary depending on the volume, type and pick-up arrangements (i.e pick-up verse delivery to the processing plant).

5. Voluntarily include a provision donating a portion of the recycling proceeds to OAAA to fund future industry research projects.

In order to advance the industries environment initiatives, OAAA suggests that its members voluntarily insert a clause in its recycling contract to donate a portion of the recycling proceeds to the Foundation for Outdoor Advertising Research and Education (FOARE). These funds will be used by FOARE to research environmentally friendly technologies which advance the goals of the outdoor industry.

Please know that OAAA has identified a recycling company that meets the industry's best practice recycling criteria. OAAA will continue to monitor the industry's progress to become responsible environmental stewards. Please contact Kerry Yoakum at (202) 833-5566 or kyoakum@oaaa.org for more information.