



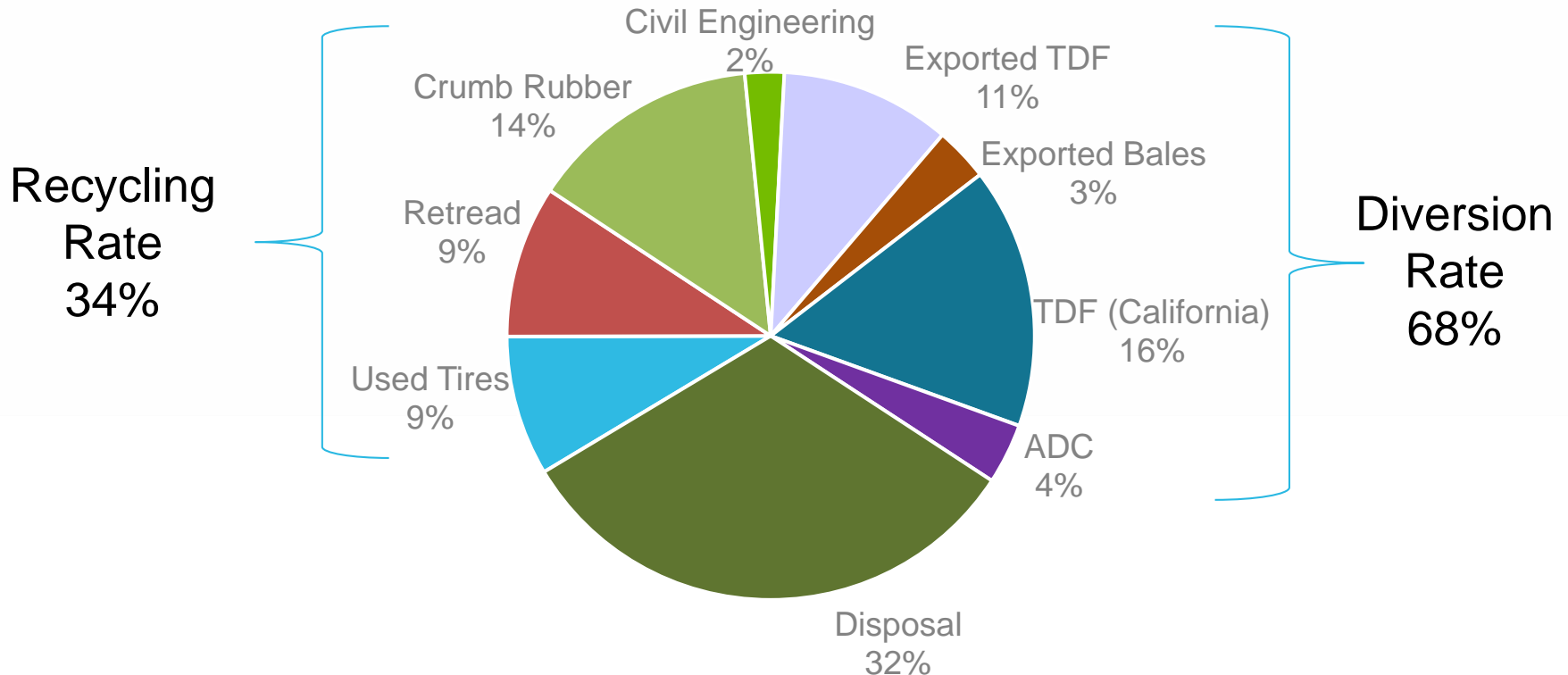
# California Tire Recycling Markets

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June 21, 2017



# Overview: 2016 Draft Results

**Total = 45.5 Million PTE**



- § **Products and Producers**
- § **Market Trends**
- § **Market Development Opportunities**



Retreads



Coatings, Sealants and Paints



Automotive



Flooring



Ballistic Products



Paving Materials & Products



Landscape Surfaces



Accessibility Products



Building & Construction



Mats, Pavers & Tiles



Playground Surfaces



Traffic Related Products



Civil Engineering



Cleaning Tools



Paths, Walkways, Sidewalks & Bike Trails



Synthetic Turf





## California Tire-Derived Product Catalog

<http://www.calrecycle.ca.gov/files/Tires/TDPCatalog>





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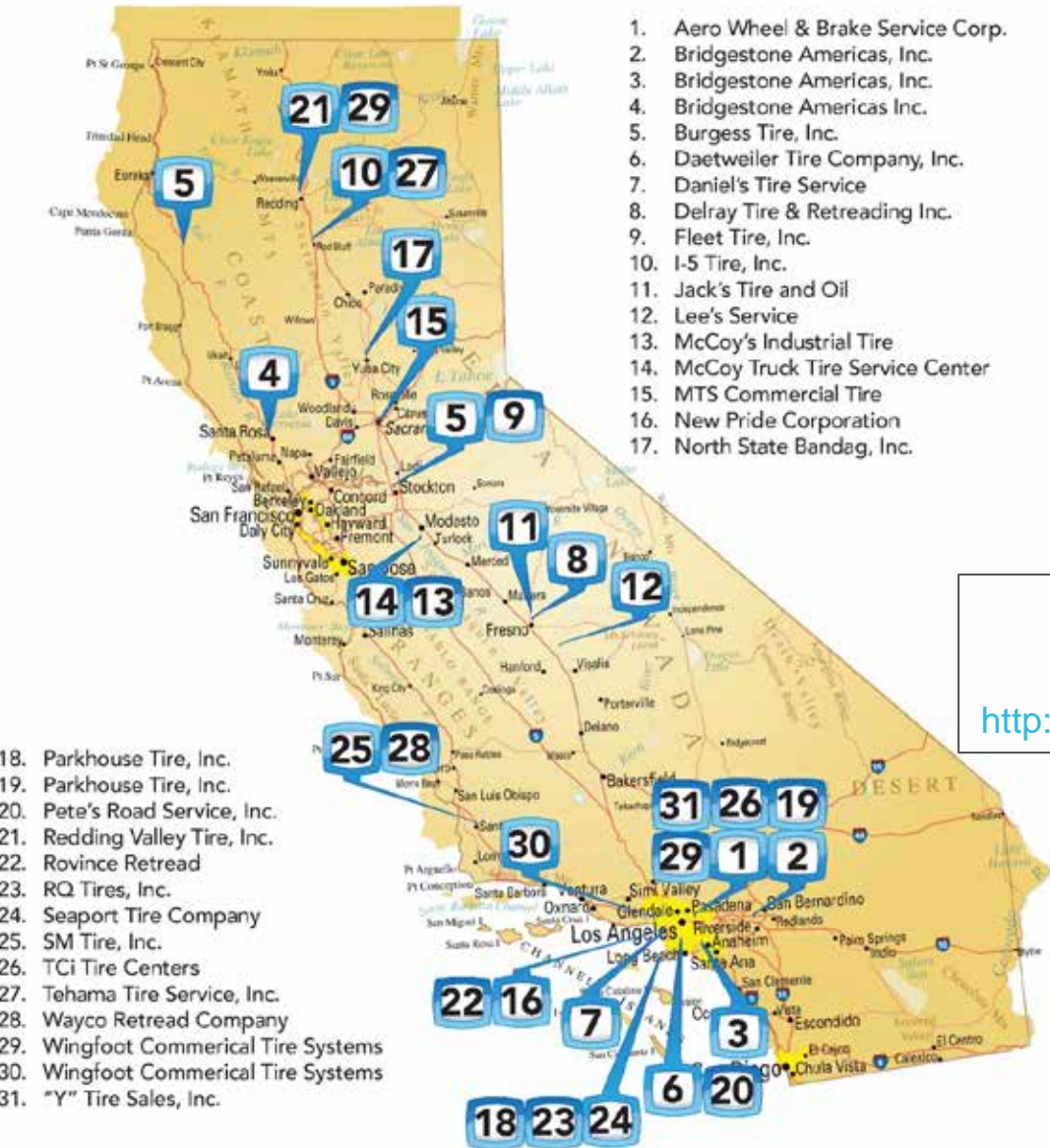
<http://www.calrecycle.ca.gov/files/Tires/TDPCatalog>



## California Tire-Derived Product Catalog

<http://www.calrecycle.ca.gov/files/Tires/TDPCatalog>





- 1. Aero Wheel & Brake Service Corp.
- 2. Bridgestone Americas, Inc.
- 3. Bridgestone Americas, Inc.
- 4. Bridgestone Americas Inc.
- 5. Burgess Tire, Inc.
- 6. Daetweiler Tire Company, Inc.
- 7. Daniel's Tire Service
- 8. Delray Tire & Retreading Inc.
- 9. Fleet Tire, Inc.
- 10. I-5 Tire, Inc.
- 11. Jack's Tire and Oil
- 12. Lee's Service
- 13. McCoy's Industrial Tire
- 14. McCoy Truck Tire Service Center
- 15. MTS Commercial Tire
- 16. New Pride Corporation
- 17. North State Bandag, Inc.

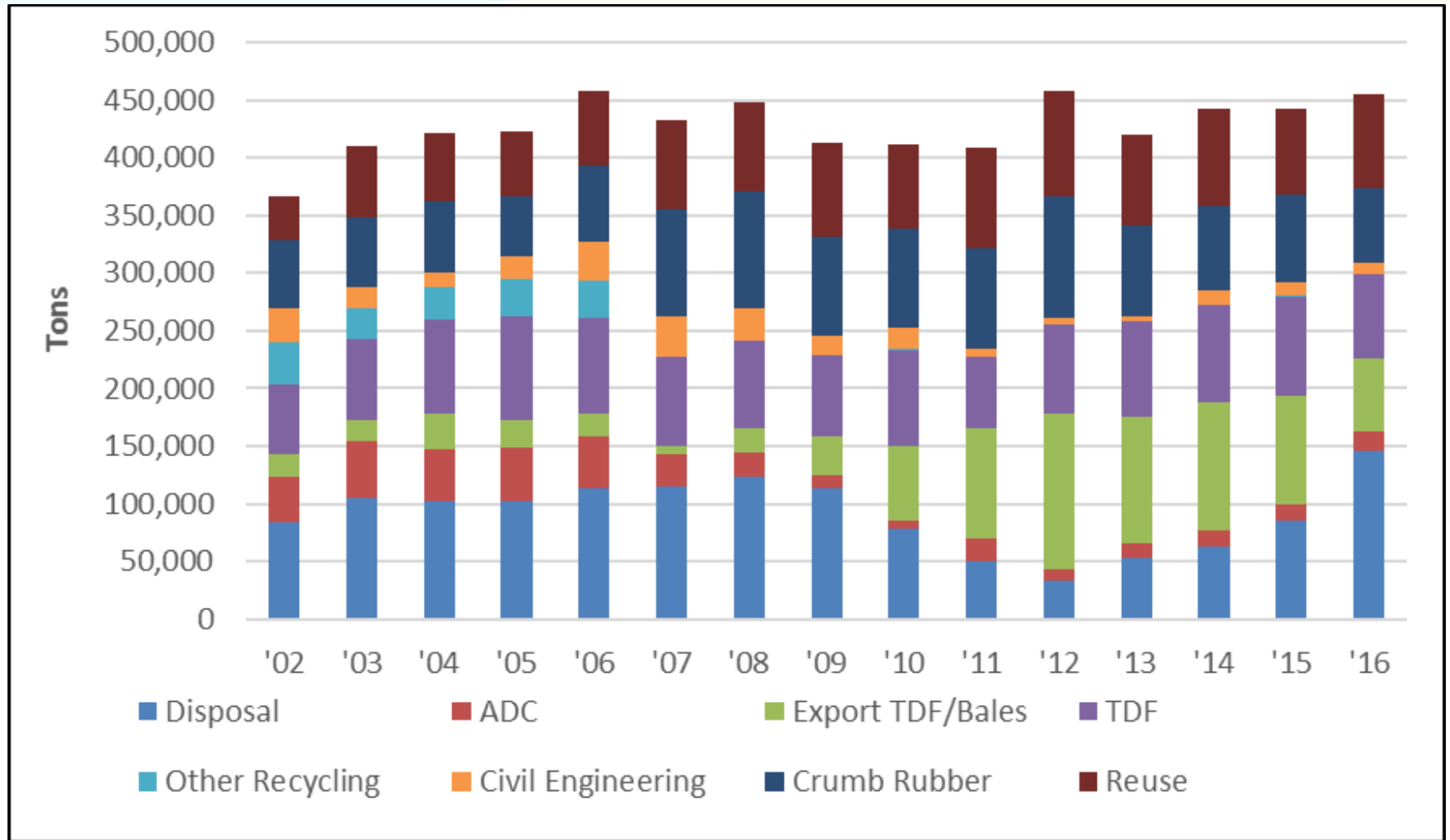
- 18. Parkhouse Tire, Inc.
- 19. Parkhouse Tire, Inc.
- 20. Pete's Road Service, Inc.
- 21. Redding Valley Tire, Inc.
- 22. Rovince Retread
- 23. RQ Tires, Inc.
- 24. Seaport Tire Company
- 25. SM Tire, Inc.
- 26. TCI Tire Centers
- 27. Tehama Tire Service, Inc.
- 28. Wayco Retread Company
- 29. Wingfoot Commerical Tire Systems
- 30. Wingfoot Commerical Tire Systems
- 31. "Y" Tire Sales, Inc.

## California Tire-Derived Product Catalog

<http://www.calrecycle.ca.gov/files/Tires/TDPCatalog>



# Trends by Market Segment



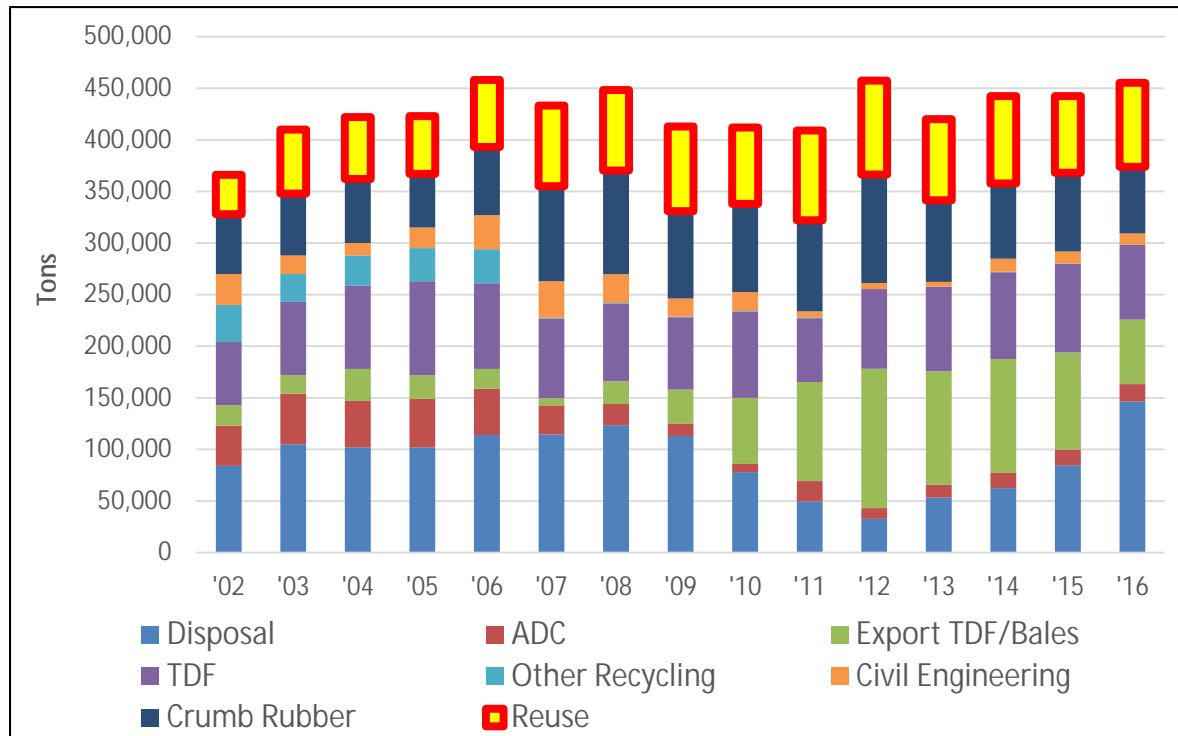
# Reuse: Mostly Steady; Some Concerns

## Retreading: 4.2 M PTE

- Overall Stable for Now
- Trend Mixed for Different Retreaders

## Culled Used Tires: 4.0 M PTE

- About 22% of These Exported
- Down at Processor Level



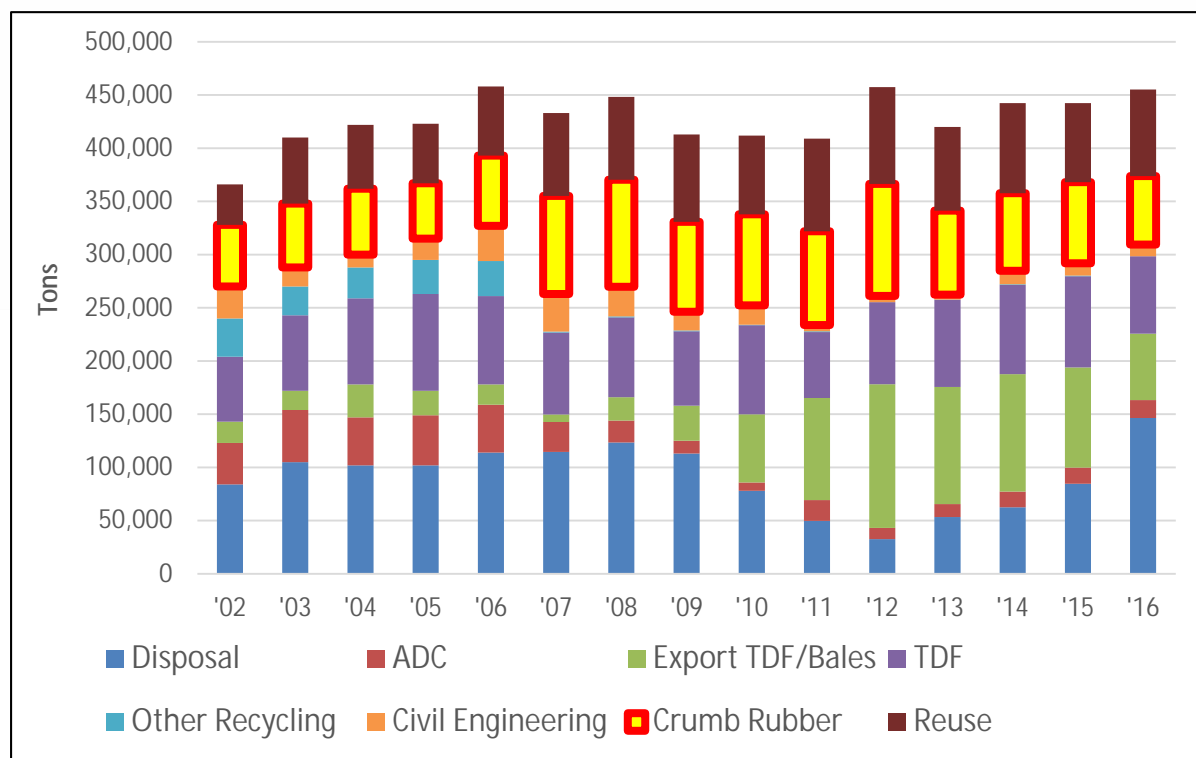
## Considerations

- Growth in Low-Cost Imported Tires
- Displaces Sales
- Less Reuse and Retreading Potential
- Surprise Decision: No Duties Levied

# Crumb Rubber: Down 10-15%, Mixed Trend

## Total Crumb/Ground: 6.4 M PTE

- Paving: Flat in 2016; Most Say Trending Up
- Turf Infill: Down 20-40%; Trending Down
- Ground/Nuggets: Down 30 – 40%
- Molded: Flat in 2016; Expect Some Growth



## Considerations

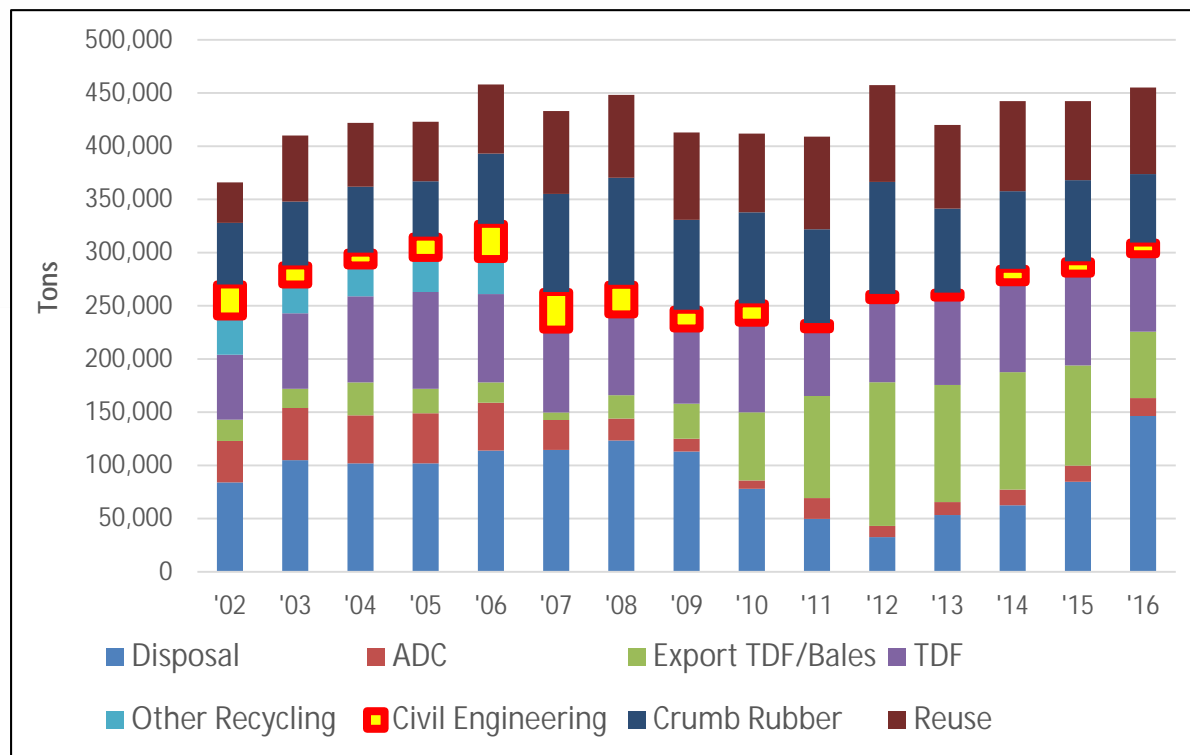
- Reduced But Still High Capacity; Expansion Expected
- New Funding for State/Local Paving (SB1)
- New Caltrans Policies?
- Environmental Health Concerns and Studies
- Diverse TDPs – Slow to Grow
- Shift to Incentives (AB 509?)



# Civil Engineering: Slightly Down But Growth Possible in 2017

## Total Civil Engineering: 1.1 M PTE

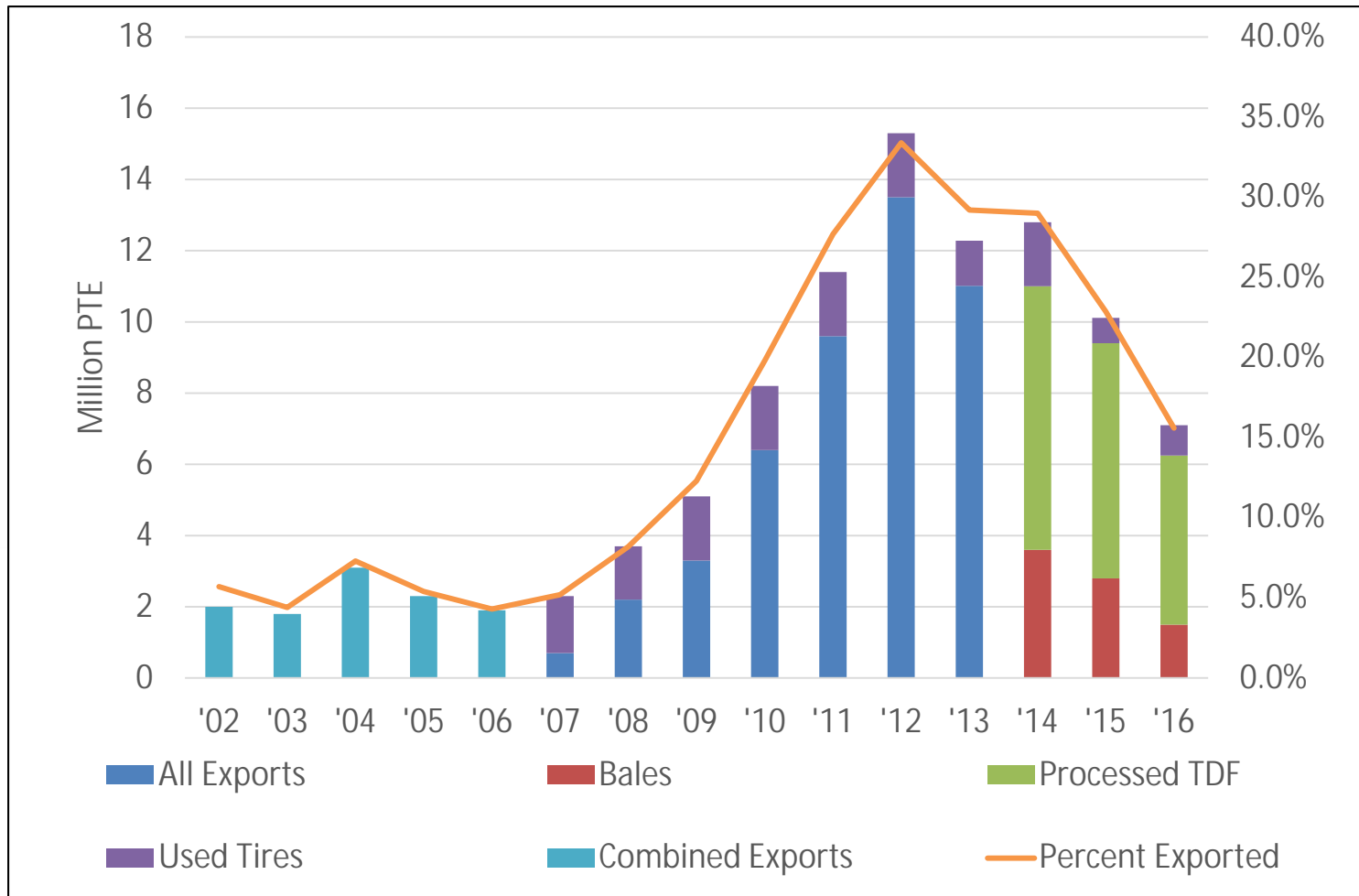
- Landfill Apps: Down 6% from 2015
- But Regular Use at Several Landfills
- Non-Landfill Apps: Off and On, Potential Growth in 2017



## Considerations

- Emerging Applications
- Sustained CalRecycle Funding
- Stormy Winter Could Increase Road Repair Projects
- Increased Transportation Funding

# Long-Term Export Trend



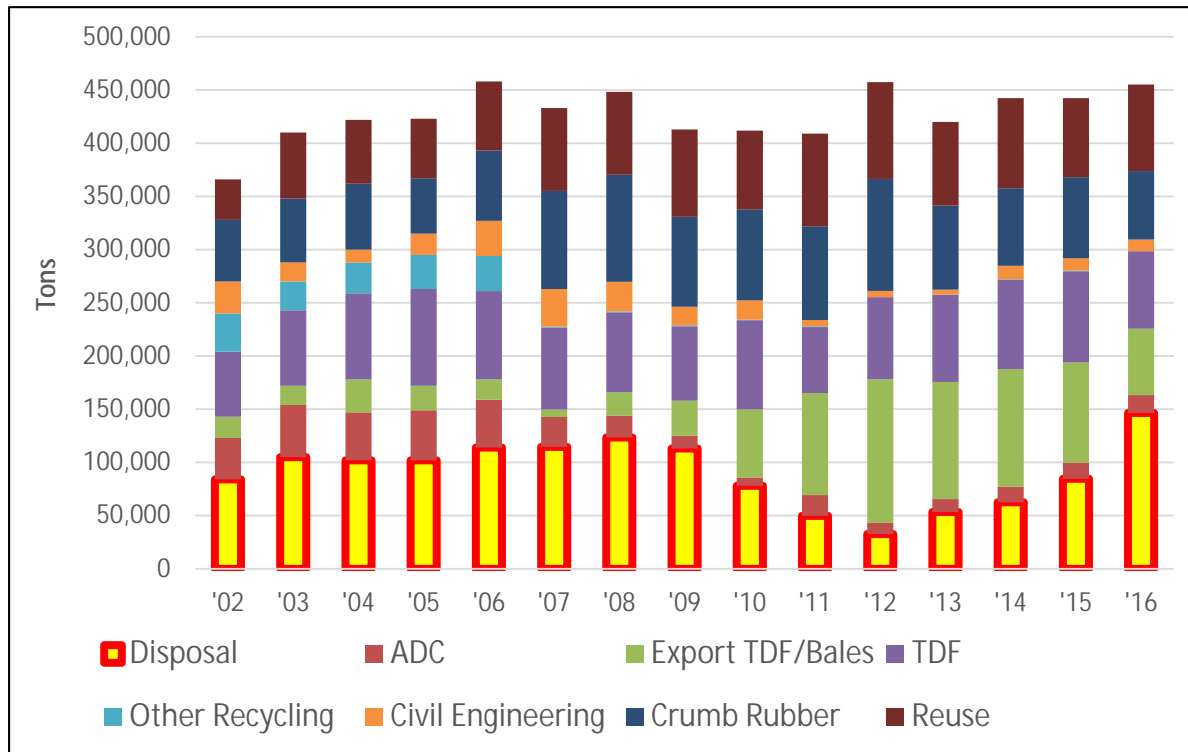
# Disposal: 2016 Spike, Trending Down

## 2016 CA Tire Disposal: 14.6 M PTE

- Statewide Trend
- Highest Recorded Since 1996
- Up 446% Since All-Time Low in 2012
- Expect Reduced Disposal in 2017

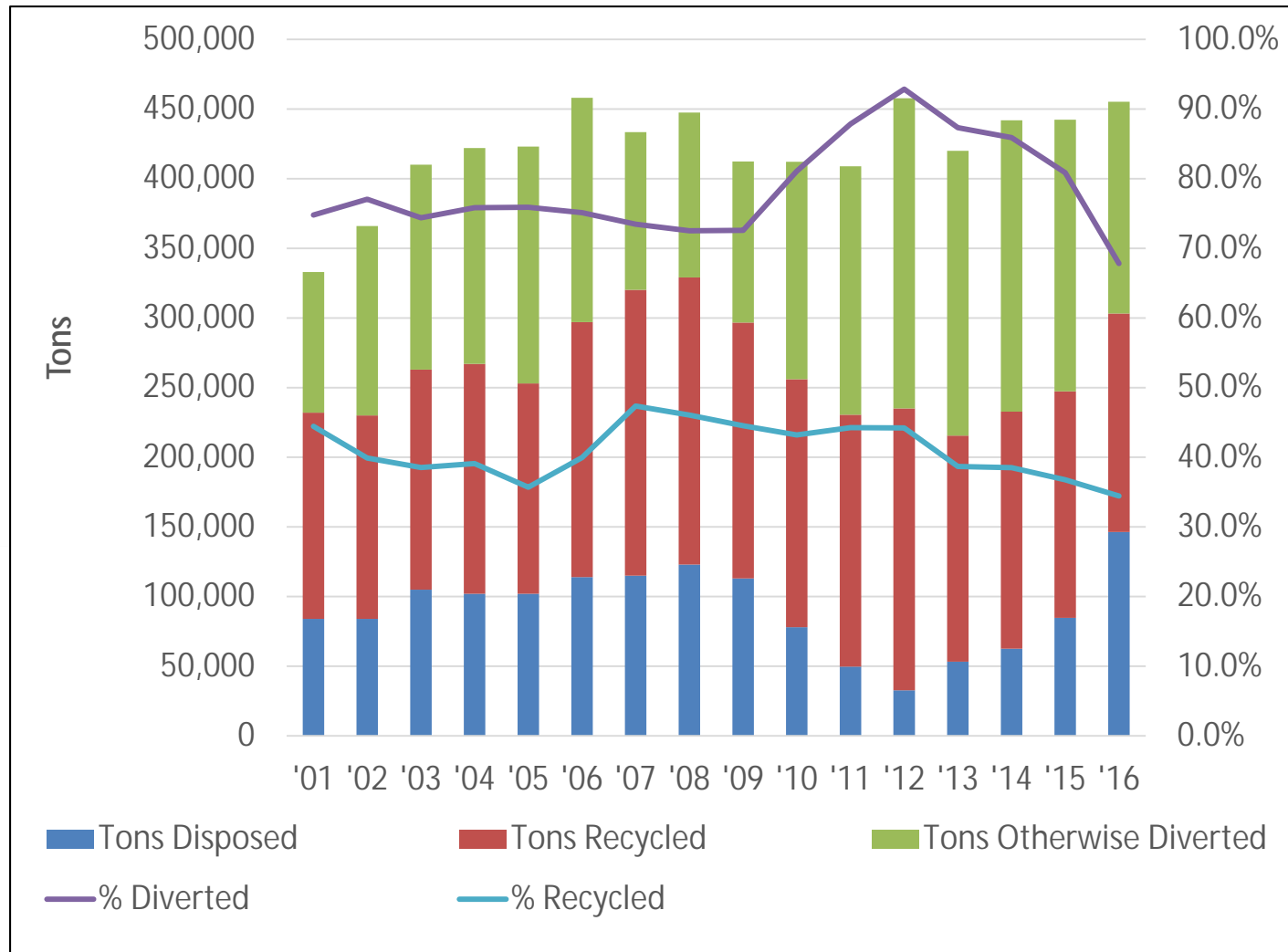
## Considerations

- Weak Markets
- Most Profitable Outlet in Some Cases
- Processor Operational Issues





# Outlook: Diversion Rebound; Recycling Uncertain



# Potential RMDZ Opportunities

- § Promote Use of Established TDPs
  - § *CalRecycle Outreach, Technical Assist. & Funding*
- § Support Existing/New TDP Manufacturers
  - § *CalRecycle Loans, Incentive Programs*
- § Feedstock Conversion w/Established Mnfrs.
  - § *CalRecycle Support for Product Testing/Tech Assist.*
- § Help Find New TDPs and Applications
  - § *Can Rubber's Qualities Benefit Your Local Industry?*
  - § *Ever Emerging Technologies....Devulc? Pyrolysis?*

# CalRecycle Outreach to TDP Purchasers / Specifiers

## § Goals:

- § Partnership with Manufacturers
- § Increase Awareness, Educate, Help Boost Sales

## § Strategies:

- § Focus: Construction, Accessibility, Retreads?
- § Leverage Architect CE Training Requirements
- § Trade Shows – Exhibits, Presentations, Workshops
- § Target High Potential Organizations and Projects

**Help us reach the right groups in your community!**





# Questions?

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**BOISSONCONSULTING**  
recycling industry development



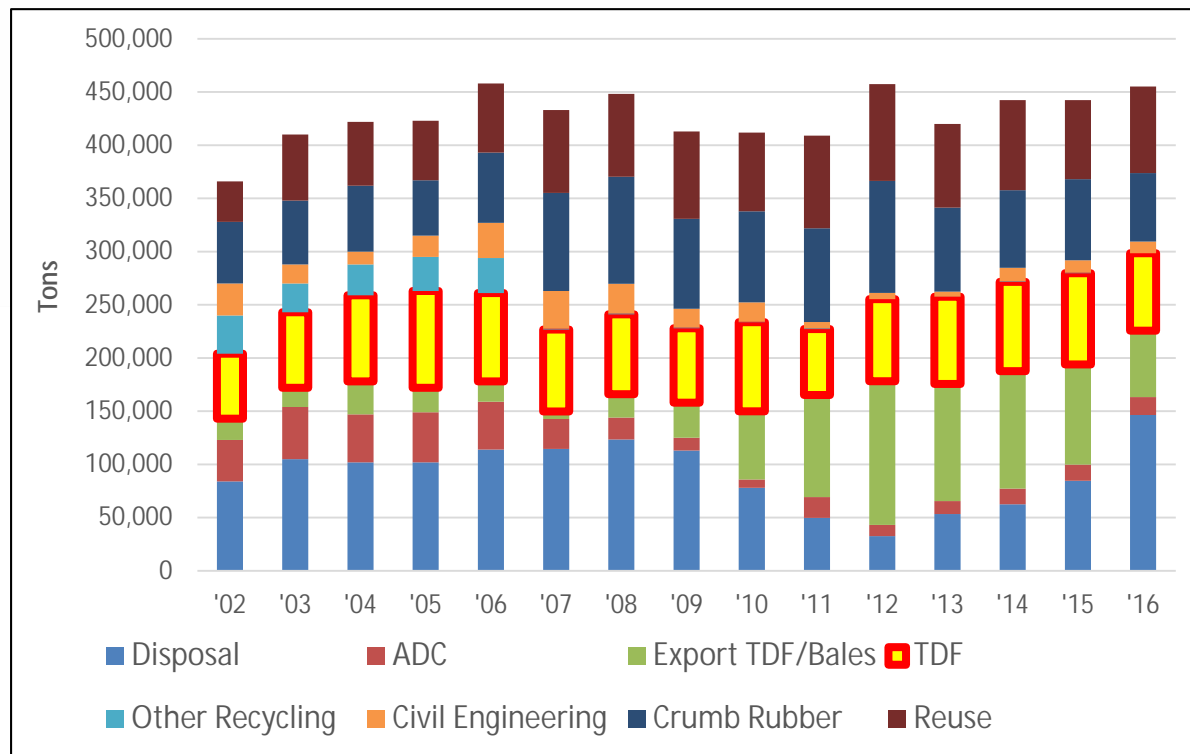
# Tire-Derived Fuel: Continued Strength

## CA Tires Used by Cement Kilns: 7.3 M PTE

- An additional 1.9 M PTE Imports Used
- Trending Slightly Up in 2017

## Considerations

- Strong, Consistent Market for CA Tires



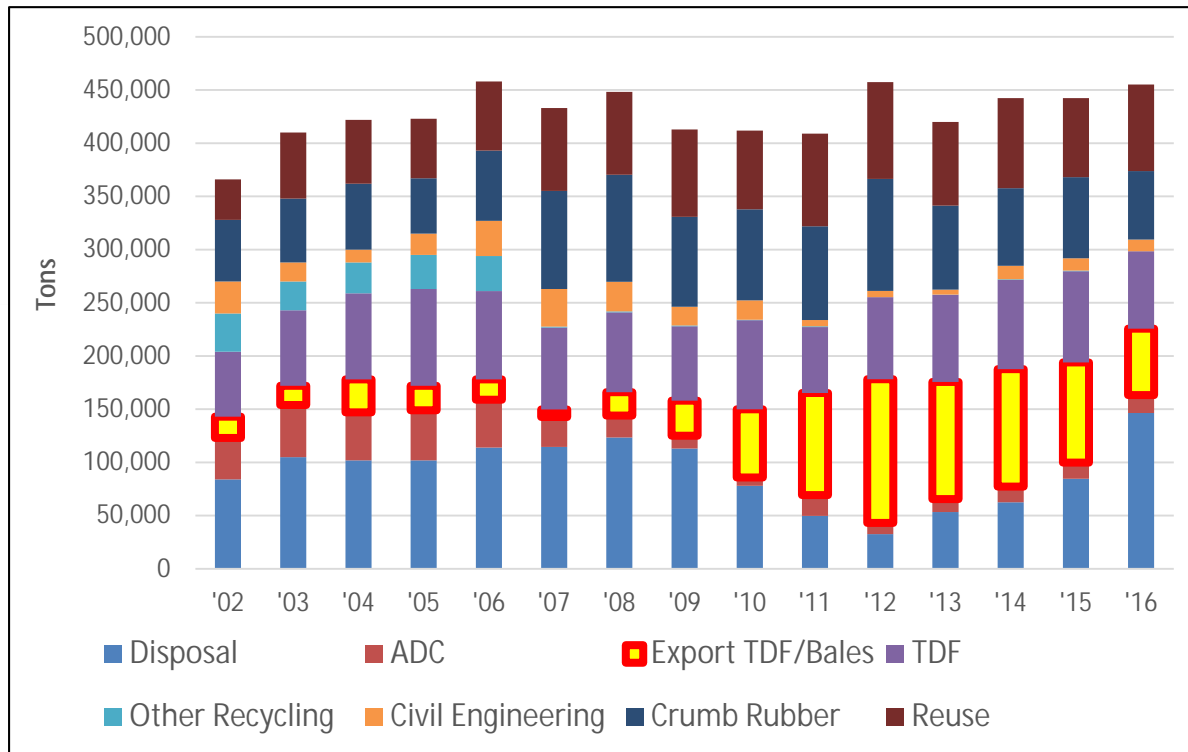
# Exports: Big Drop; Rebound Expected

## 2016 Export: 6.2 M PTE

- Processed TDF 4.7 M PTE, Trending Up
- Bales: 1.5 M PTE, Trending Up
- Lowest Levels Since 2009

## Considerations

- Pricing Down in 2016
- Conditions Improving and Growth Expected
- Baling Operations Reduced – But Can Change Fast; Trending Up





# Alternative Daily Cover: Up in 2016

## ADC: 1.7 M PTE

- 5 Landfills Reporting, All Northern California
- 10% Higher Than 2015
- Expect Flat in 2017

