

The Columbus Dispatch

Newsmakers Q&A: In electronic age, recycling e-waste is big business

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Holiday recycling used to have a quaint, almost idyllic quality.

It meant salvaging bows from trash-bound wrapping paper, scrawling houseguests' initials on festive paper cups and setting aside Aunt Sue's leftover fruitcake for possible use later as a doorstop.

In recent years, things have gotten a bit more complicated.

Now, we have to figure out how to dispose of all those high-tech gifts that promise to be obsolete by the outset of this summer's Christmas-in-July sales — not to mention all the now-outdated gadgets and gizmos that were under the tree last year.

We're now producing millions of tons of electronic waste — or e-waste — annually. According to the Consumer Electronics Association, the average U.S. household contains at least 24 electronic products, "each with an ever-shortening lifespan."

Proving again that one man's trash is another man's treasure, the e-waste recycling and reuse industry — an industry that didn't exist a few decades ago — is booming, thanks in part to the skyrocketing value of gold, copper and other materials found in some electronic components.

A study released last week by the research firm SBI Energy found that, worldwide, the industry generated close to \$6.8 billion in 2010, up about 10 percent from the previous year. The revenue associated with collection services alone is expected to triple by 2020.

John Shegerian, chairman and CEO of California-based Electronic Recyclers International, the country's largest e-waste recycler, recently visited Ohio State University's Fisher College of Business to deliver a lecture on sustainability in the 21st century. While in Columbus, he sat down with Mike Kallmeyer, host of ONN-TV's *Ohio Means Business*. An edited excerpt:

Q: Tell me about Electronic Recyclers International and how you got started.

A: We started in 2005, and in our first month of business, we recycled approximately 10,000 pounds of electronic waste. Last month, we recycled approximately 15 million pounds in our seven locations all around the United States.

Q: You call yourselves the “one-stop electronic-recycling solution.” So you recycle any type of electronic product?

A: Any type of electronics with a cord — and all your cellphones. We basically specialize in all electronics. We’ll even take your white goods (large household appliances), but that’s not our specialty, because we need bigger shredders to handle those. But we’re licensed to take them, also.

Q: What is the process that your company goes through to recycle these products?

A: Everything that comes in is bar-coded manually and separated. The screens are removed and put into proprietary glass-cleaning machines, and the rest of the carcass is put into our proprietary shredding machines — and they are commoditized into plastics, glass and, of course, metals.

Q: Why is e-recycling so important?

A: E-recycling is so important because it’s basically a new industry that’s been born out of the technological revolution, and it’s the fastest-growing solid-waste stream in the world.

And everyone gets it. Whether you’re here in Ohio, or (elsewhere) in the United States, or in Shanghai, or in some other great city around the world, everyone uses a cellphone or some form of electronics. Everyone’s kids have some sort of cellphone or Xbox or other type of gaming device, and all of these are electronics that need to be recycled at the end of their life — appropriately.

Q: People are buying new products because they keep changing so quickly.

A: Remember, when I started this company, there was no iPad, there was no iPod, there was no iPhone. There was no 3-D television that was available to the public at large. And, now, look at how far we have come with regard to electronics. So there is a huge opportunity to recycle all these materials in a legally and environmentally appropriate way.

Q: How difficult has it been to be profitable in the sustainability industry, especially since it’s so new?

A: That’s a really fair and great question. First thing, about three years ago, I had a very top executive, (from) one of the biggest companies in America, come in, and he was looking to invest into our company. We spent the day together, and, at the end of the day, he said to me, “John, I want to ask you a question.” This was in a boardroom full of my executives and his executives.

“What business are you in?” And I said (to myself): “Wow, I really understand what he’s asking me; I’ve got this cold. ‘I’m in the electronic-waste recycling business.’”

And he pounded his fist on the table and said, "That's the wrong answer, son." He said, "Let me just tell you something that you (should) never forget: You're in the money-making business."

And so we've never taken our eye off the bottom line. We've made a profit every month that we've been in business. We continue to focus on making a profit, because you can't be a sustainable business and a sustainable business model unless you can sustain yourself.

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