

From the source:

The growth of cell phone recycling

On pace to replace landlines as the primary means of voice communication, mobile phones are a diverse and growing segment of the consumer electronics industry. How are these products recycled, and what options are available for processing obsolete units?



Founded in 2001, GRC Wireless Recycling has become a national leader in mobile phone collection and recycling, recycling over four million units since 2002. As consumers rush to upgrade their headsets at breakneck speed, GRC has made consumer education, take-back and responsible recycling a company priority, instituting a zero-landfill policy for all items.

Chief Operating Officer and company Co-Founder Marc Leff recently took time to speak with *E-Scrap News* regarding the methods, challenges and overarching issues facing cell phone recovery and recycling.

E-Scrap News: With most standard service plans at two years and the average life of a cell phone in this country being 16 months, what sort of waste volume from cell phones is generated every year?

Marc Leff: That all depends on how you define waste. From everything I've read and everything I've experienced, cell phones are not being thrown into the garbage. They're sitting in drawers and closets. The challenge for cell phones is they don't take up a lot of space. People obviously want to get rid of a big 32-inch TV or an old computer; but, when it comes to phones, a lot of times they forget they even have them. We process about one million phones per year and, across the industry, I would say about 10 million are processed in this country every year. I don't know how many phones are actually out there, as I've seen estimates between 100 million and one billion, but no one really knows.

ESN: Of the phones that do get collected, how are they processed? Say I turned in my old phone to you, what would happen to it?

ML: Well, we don't work with a carrier. We're a grass roots recycler, so the way we incentivize phone collection is with money. We pay consumers and organizations, who have unwanted mobile phones, the best price we can for their old hardware. So that's the recovery aspect. After that, our primary objective is re-use. We try to put that working phone back into circulation as best as we can. We started GRC nine years ago from the cellular distribution business, so our expertise is wholesale cellular sales. And we work with refurbishers all over the world to make sure that happens. About 55 percent of the phones we bring in are processed for re-use, and the remaining we refine for precious metals.

ESN: But, with the rapid pace of advancement in the mobile phone sector, what is the market for re-use like? Is there a market of people willing to pay for last year's technology?

ML: The re-use market always has been and always will be robust. We're located very close to Miami, which is a very big export market, so a lot of our customers are close by. From personal experience, I can tell you they buy everything from low-end

phones to high-end models. Of the phones that are designated for re-use, the vast majority go to overseas markets. I would say a ballpark of 70 percent to 80 percent.

ESN: You mentioned high-end phones, smart phones, a lot of which have relatively large LCD screens, computer chips and other complex hardware. When you collect these devices, are they subject to electronics recycling laws in your state? What about hazardous waste import/export laws?

ML: We treat a Blackberry or iPhone like any other phone. That I know of, the only federal laws on the books that apply directly to cell phones relate to rechargeable batteries. As far as states like California go, their laws are mainly geared toward collection and mainly aimed at retailers. A lot of these laws don't really affect us.

ESN: Does that have more to do with the way the state laws are worded? To stay on California, I believe their law covering display devices affects only devices with a diagonal viewing area larger than four inches. However, products like the Blackberry and iPhone – while they all have LCD screens – have screen sizes of three, 3.5

and 3.8 inches, for example.

ML: You're saying they cannot be improperly disposed of from a legal perspective? In my opinion, the dynamic of cell phones versus other electronics makes this sort of a non-issue. People don't throw away iPhones. People don't throw away Blackberries. People want to throw away old LCD screens. Everything we do is toward the goal of recover, reuse and refine, and a lot of the laws out there just mandate retail stores to recover, reuse and refine. So, our mission is consistent with the intent of the laws out there.

ESN: Let's talk about recovery. Specific carriers have their own take-back and recycling programs, and anyone who has bought a new phone in the last few years is probably familiar with these programs. How does your firm source cell phones?

ML: We don't work with any carriers. We work with local stores, non-profits, charities and other collectors around the country. We also source from businesses that are upgrading their IT assets. Companies that have 30 old Blackberries that they need to dispose of, for example. These types of

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organizations either have them and sell them to us, or collect them from their communities through fundraising drives.

Like I said, money is the primary incentive we use to get phones and we pay a minimum of 50 cents per phone, plus the costs of all the freight inbound. From our perspective, it's a win-win for an organization and we've raised and paid out over \$7 million so far, just for old cell phones.

ESN: What would you say the biggest barrier is to increased collection, and what should be done to counter it?

ML: Honestly, I wish I could get 10 times as many phones as I do. The obstacle is not reselling them or refining them, it's incoming volume. It's raising awareness. As for how to improve consumer awareness, I wish I knew. We distribute lots of information to our partnering organizations. We do lots of direct mailings. We are present all over the Internet and our page rank on Google is very high, but I honestly just don't know. Ideally, I would like to see some type of public service campaign about all the cell

phone recycling opportunities out there.

ESN: Do you think there is a role for OEMs to play in terms of improving consumer awareness?

ML: Yes, but their challenge is where do they collect the phones. There are very few OEMs with direct retail presence. Obviously, I'd love it if they just promoted direct cell phone recycling or did something to improve awareness.

In theory, I would say that OEMs have a responsibility to educate consumers on recycling options; but, realistically I'm not sure if that takes into account the existing dynamic manufacturers have with carriers and retailers. It's a very complicated issue.

I will say I believe in personal accountability. Even if you're not legally obligated to be responsible, that doesn't give you an excuse to not be. So, yes, there's a responsibility on the business side, but also a responsibility among individual consumers. If it's potentially harmful and it shouldn't be in a landfill, people should probably educate themselves on how it can be recycled. The responsibility for recycling can't all be on manufacturers. **ESN**