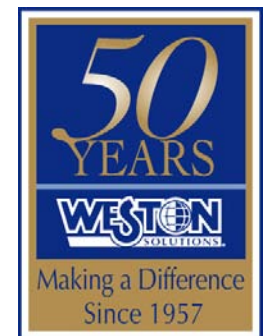

Summary of Fifth Annual CARE Report

Matt Goldman, P.E.
Weston Solutions, Inc.

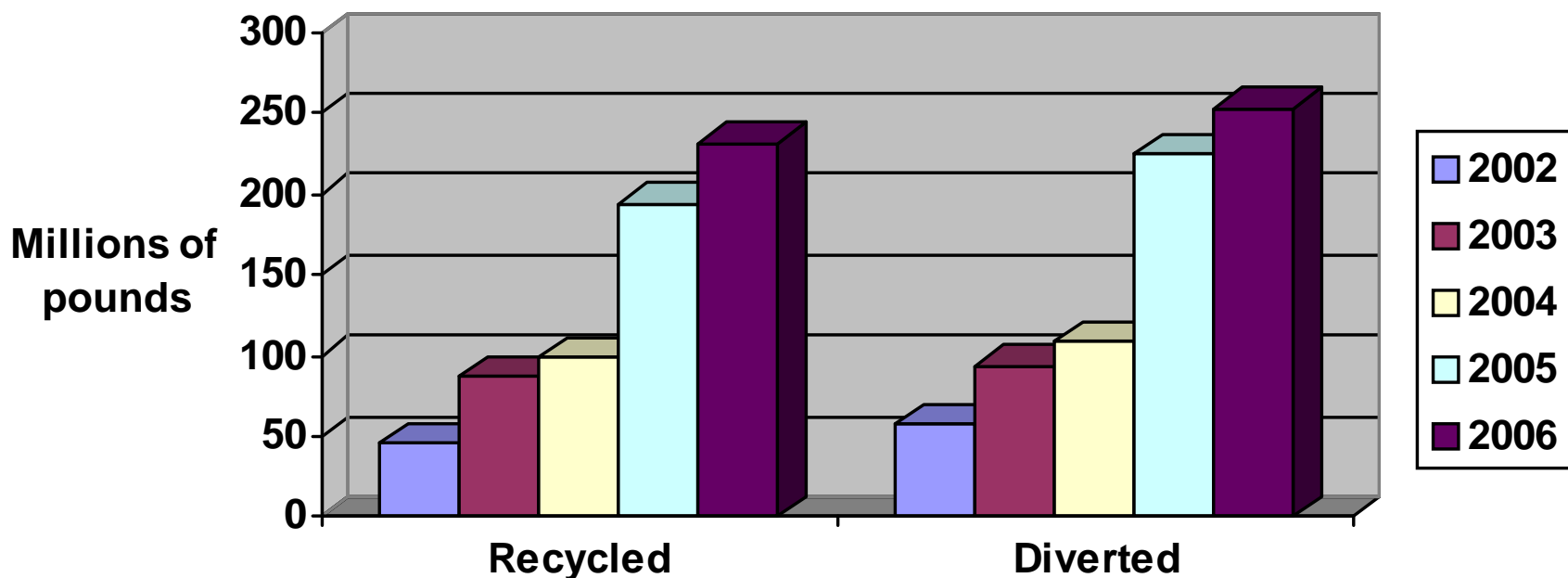


Presentation Agenda

- Key results
- Comparison with MOU goals
- Carpet recycling flow
- Carpet exports
- Face fiber types recycled
- CARE services provided & desired
- Q & A



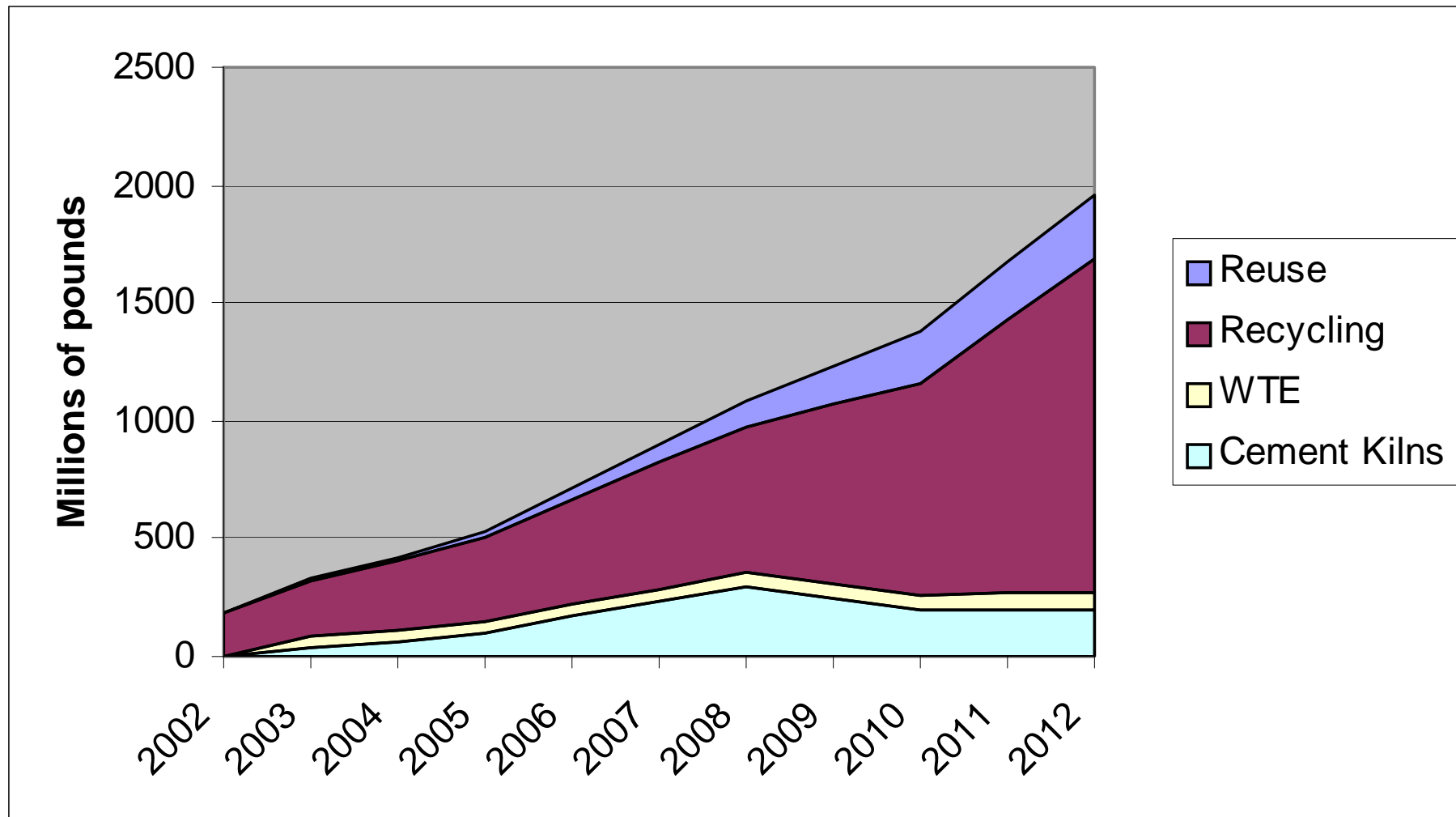
Progress in Recycling and Diversion



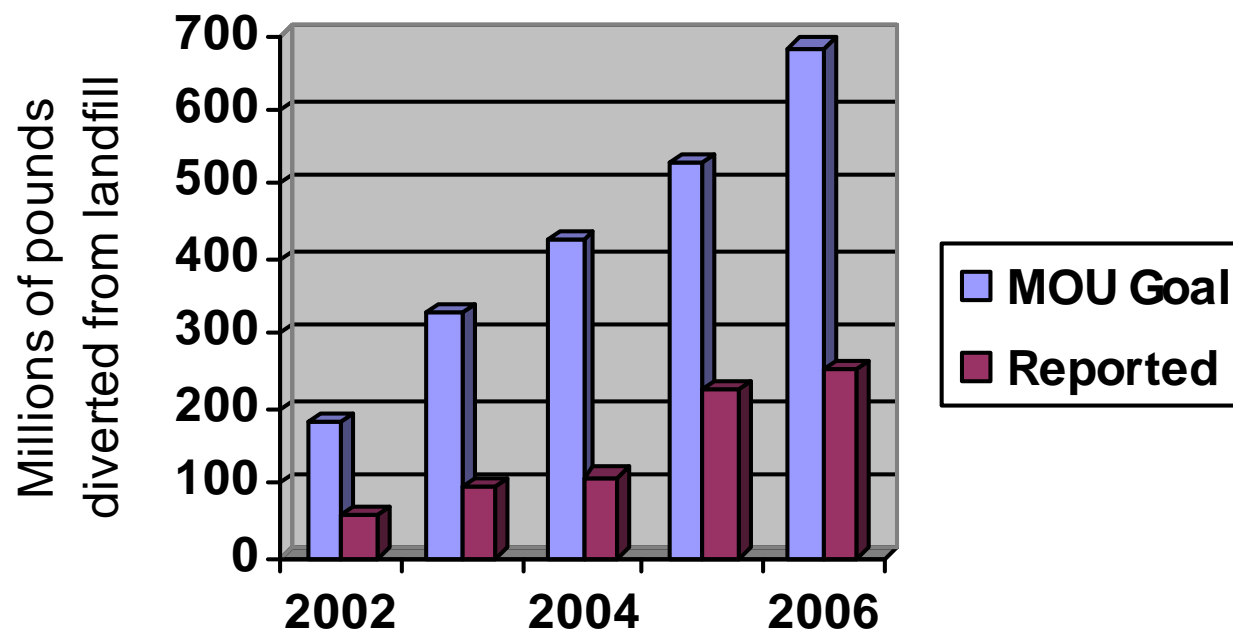
- 232.1 Mlbs recycled; 252.9 Mlbs diverted
- Recycling increased 19% from 2005 and diversion increased 13%
- Some data derived from non-survey sources



MOU Goals



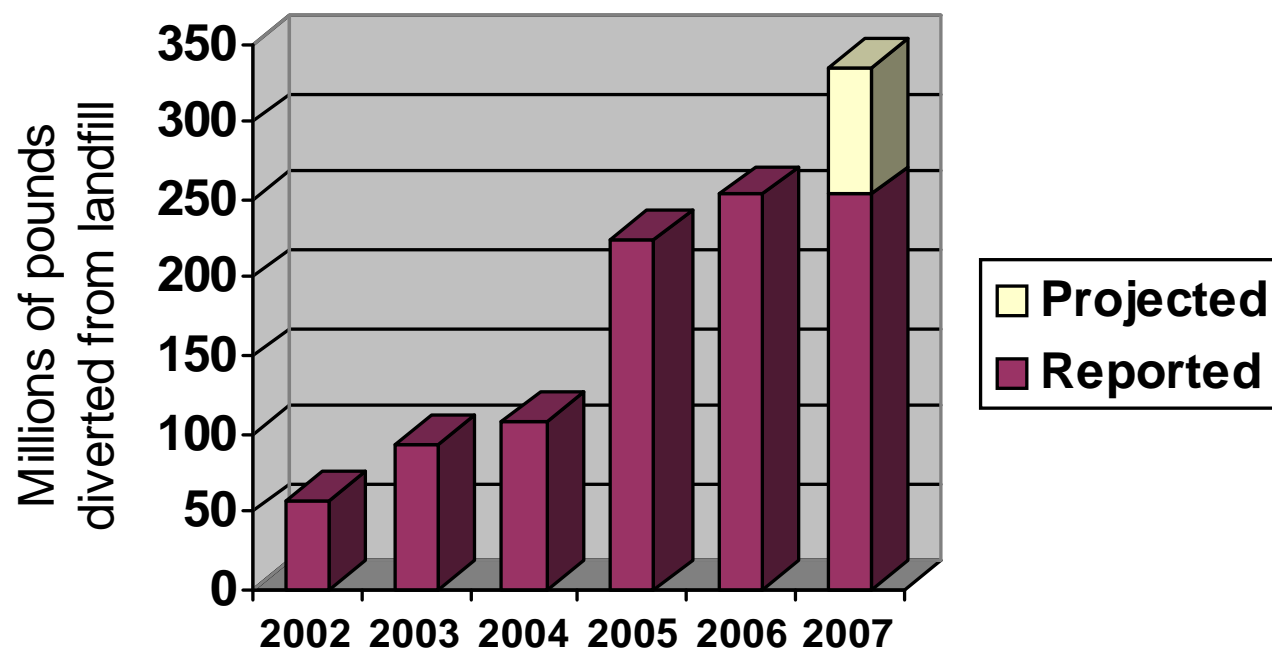
Diversion Progress vs. MOU Goals



- Despite increasing levels of reported diversion, gap between goals and reported levels of diversion continues to grow
- S-curve ramp-up may be more realistic than linear



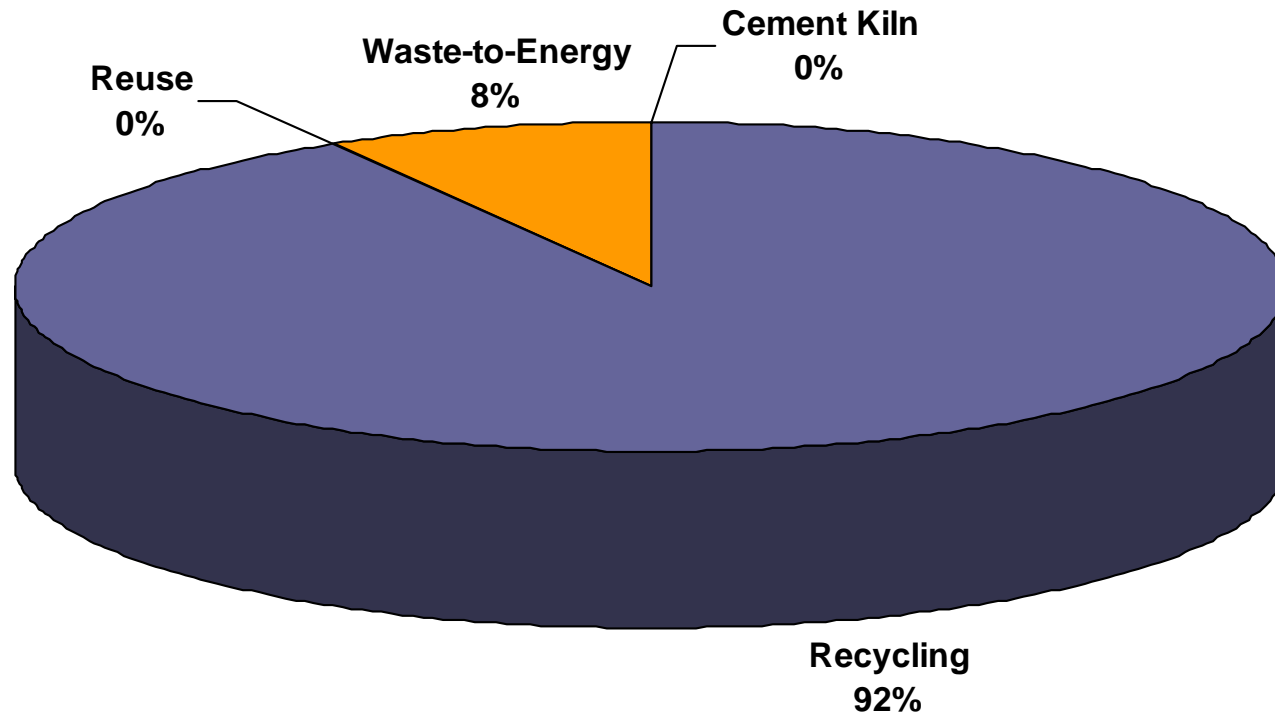
Potential for Growth in Diversion



- Based upon projections provided by 2/3 of companies providing data
- Projections were cut in half to be conservative



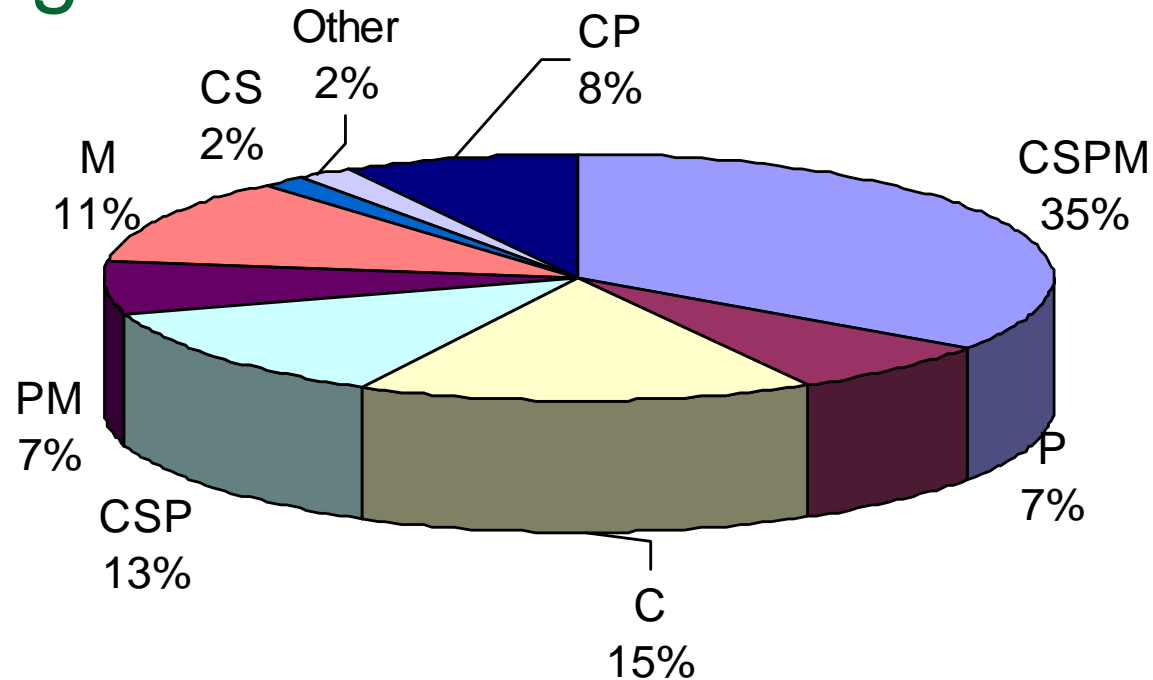
Breakdown of Diversion in 2006



- Vast majority of diversion due to recycling
- Cement kiln and waste-to-energy contributed smaller percentage than in past



Types of Companies Performing Recycling

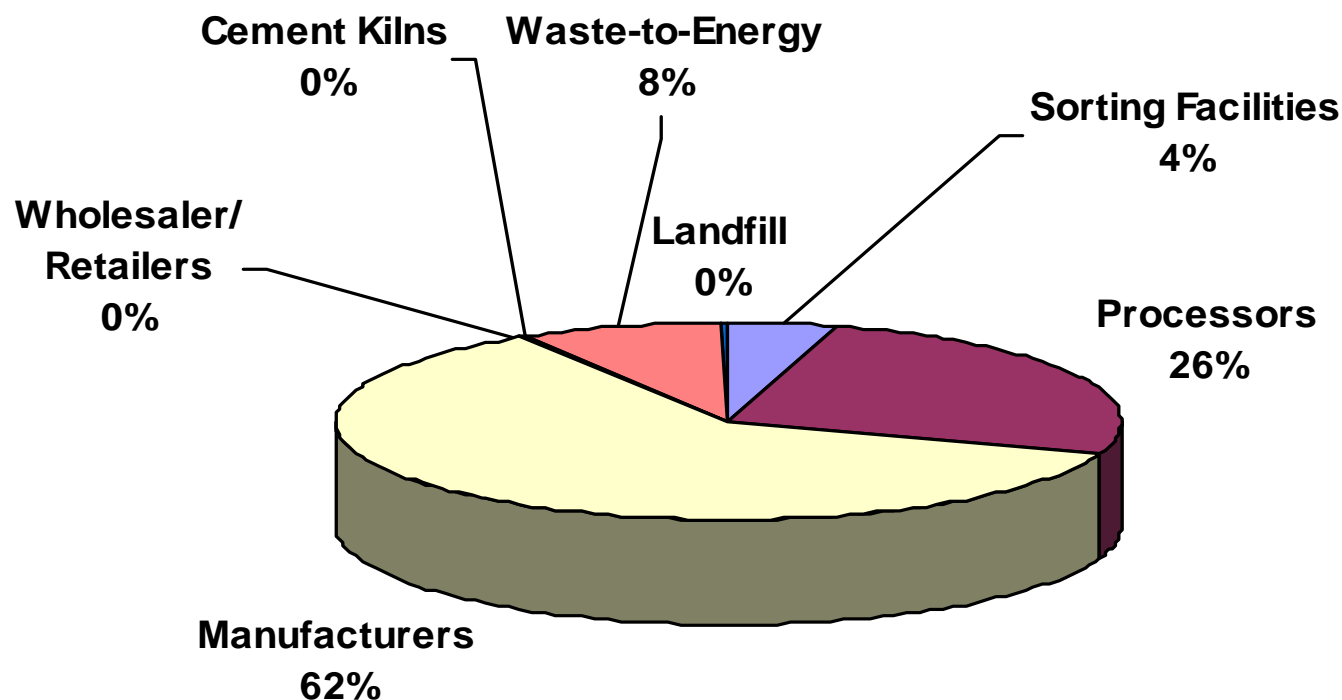


C=Collector, P=Processor, S=Sorter, M=Manufacturer
(Percentages reflect percent of total post-consumer diversion)

Largest contribution provided by companies performing all four functions



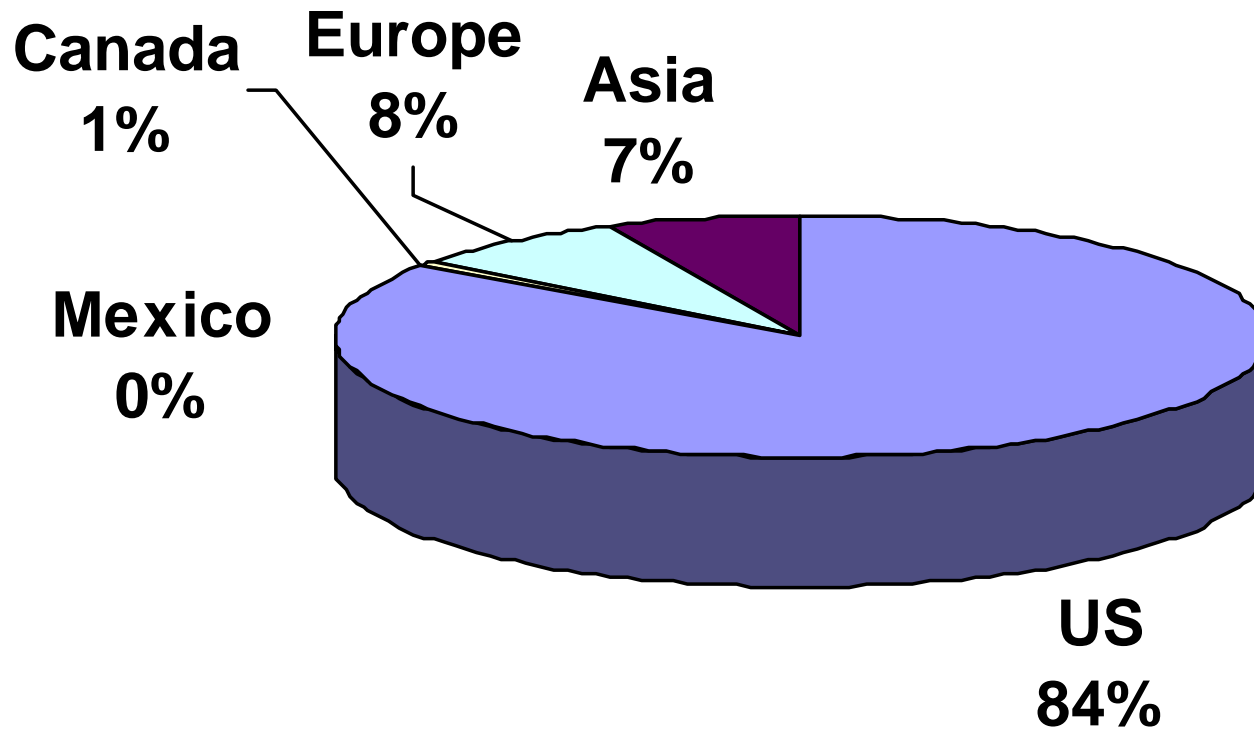
Destination of Post-Consumer Carpet



- Significant diversity in destinations
- Manufacturers played a bigger role than in 2005



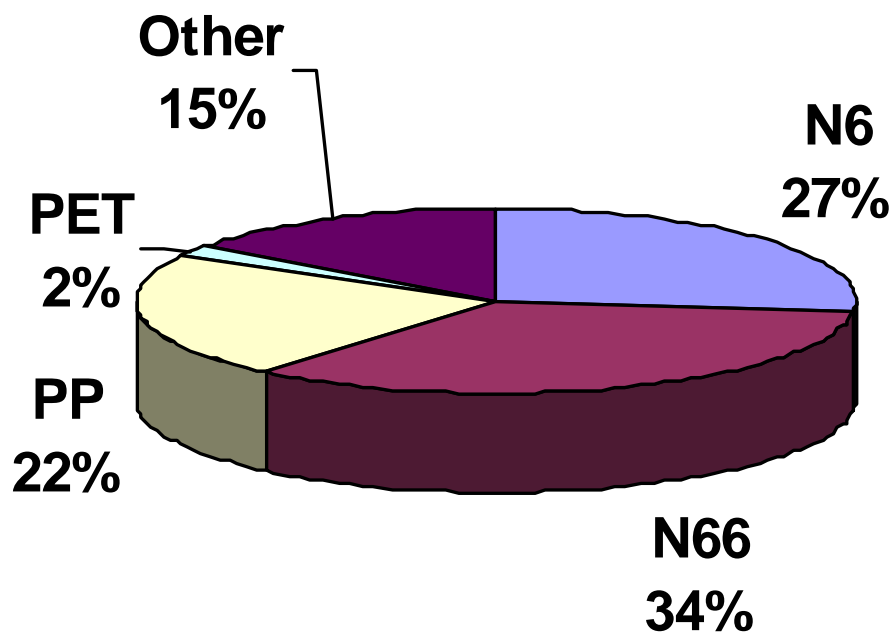
Geographic Destination of Carpet Recycled



- Vast majority of material stays in US
- Exports to Europe and Asia lower than in 2005



Breakdown of Fiber Type Recycled

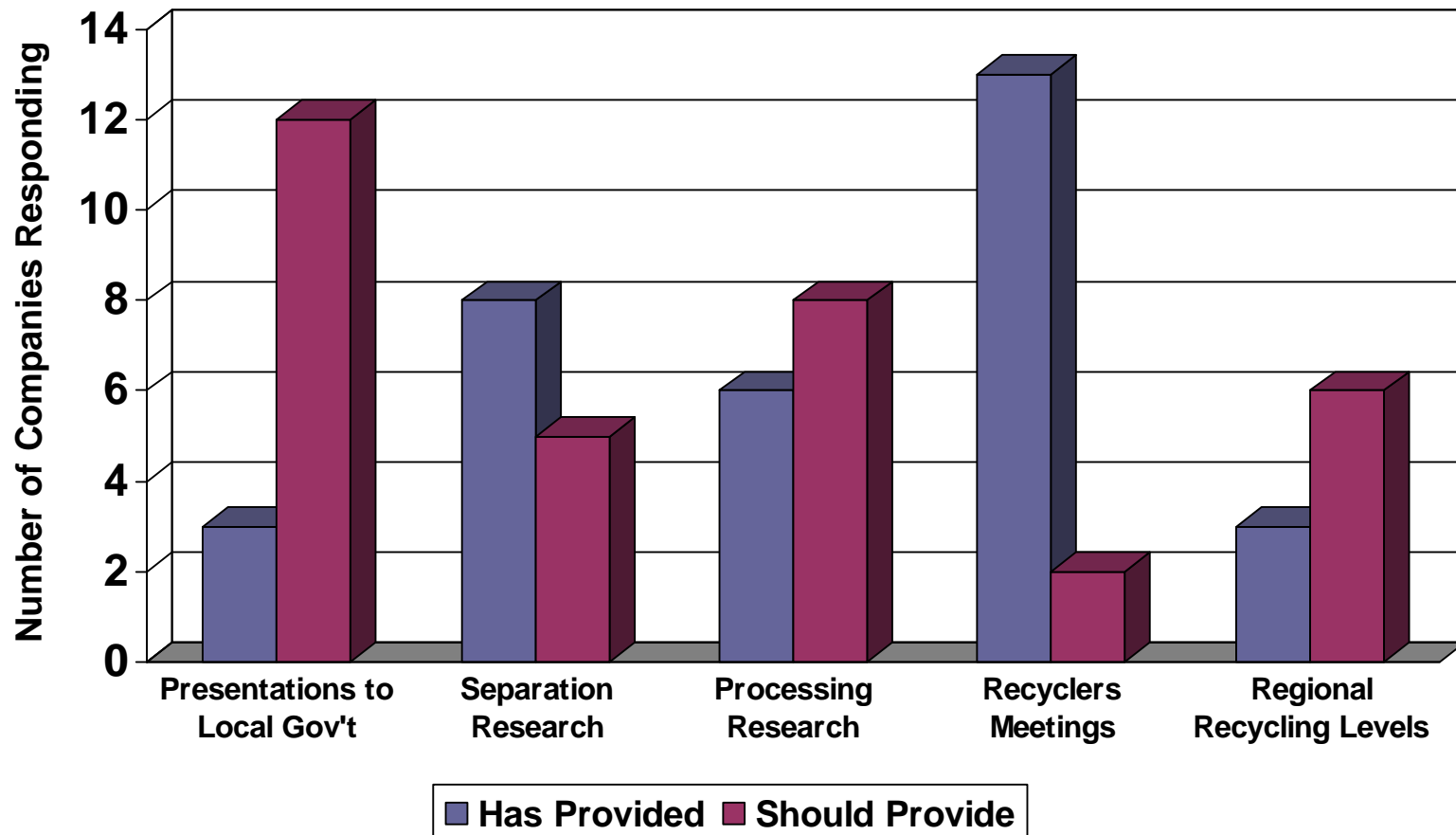


NOTE: N6=Nylon 6; N66=Nylon 66; PP=Polypropylene; PET=Polyethylene terephthalate

- Considerable diversity in face fiber types handled
- Nylon fibers are most prevalent

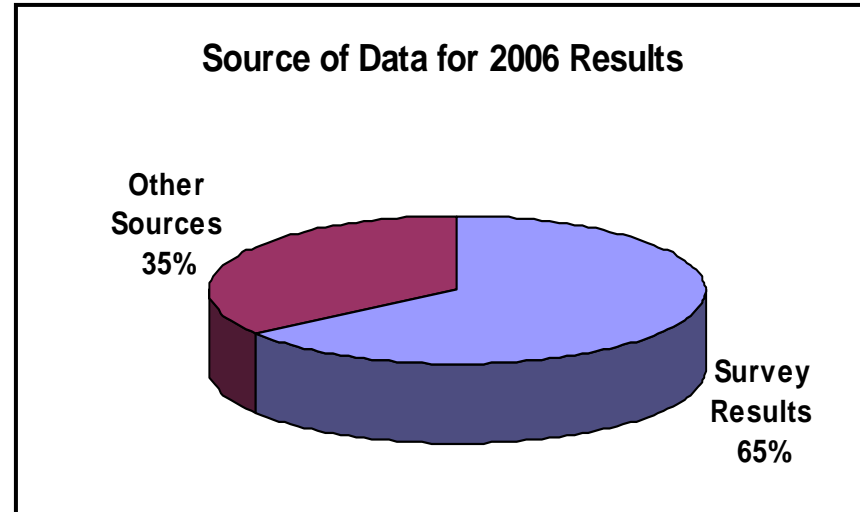


Type of Services CARE Has Provided and Should Provide in Future



Key Features of Survey Methodology

- Survey approach utilizes web-based tool
- Narrowed focus of data-gathering
- Confidentiality assured to all participants
 - No data released regarding individual company results
- Incentive provided for response
 - \$50 gift certificate for first 20 respondents
- Data gathered to try to minimize double-counting
 - Geographic region for source material
 - Types of facilities that material is sent to



- Low level of survey response prompted alternative data gathering
 - Verbal responses
 - Reliable second-hand sources
 - Utilization of 2005 data



Summary and Conclusions

- Modest increases in recycling and diversion
 - Reduced response rate may have affected results
- Significant increases expected by many recyclers
- Most material recycled staying in U.S.
- Significant diversity in fiber types handled
- Considerable awareness of CARE activities and desire for future activities



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Q & A

