Oregon E-Cycles Guide for Manufacturers

As of June 17, 2013

This guide outlines everything electronics manufacturers need to know about complying with Oregon E-Cycles.

Section 1: What is Oregon E-Cycles

Oregon E-Cycles, established by Oregon's Electronics Recycling Law (Oregon Revised Statute 459A.300-.365), is a free, easy and environmentally responsible recycling program for computers, monitors and TVs. Electronics manufacturers finance the program, which is jointly implemented with the Oregon Department of Environmental Quality. The program is an example of *product stewardship*. Product stewardship directs everyone involved in the life cycle of a product to take shared responsibility for the impacts to our health and environment that result from the production, use and end-of-life management of the product.

DEQ registers manufacturers, assigns their recycling obligations and determines their fees for Oregon E-Cycles. DEQ is also responsible for approving recycling plans submitted by eligible manufacturer programs. Additionally, DEQ provides education and outreach for Oregon E-Cycles and oversees enforcement of the law. Oregon law bans the disposal of computers, monitors and TVs in Oregon.

More Information

See Section 9 of this document: Contacts and Online Resources, on page 10. The full text of Oregon's Electronics Recycling Law can be found at www.leg.state.or.us/ors/459a.html.

Section 2: Manufacturer Responsibilities

Manufacturers of covered electronic devices must participate in Oregon E-Cycles if their CEDs are sold in or into Oregon or their CEDs are returned for recycling in Oregon. Please note that sales methods include retail, catalog, phone and Internet sales. Sales of reused or refurbished products are exempt.

CEDs include:

- Computers (desktops and portables)
- Monitors (cathode ray tube and flat panel with viewable areas greater than four inches diagonally)
- TVs (CRT and flat panel with viewable areas greater than four inches diagonally)
- Effective Jan. 1, 2015, computer peripherals (keyboards and mice) and printers will be added to the Oregon E-Cycles Program.

Am I a Manufacturer?

For the purposes of Oregon E-Cycles, a manufacturer includes any entity that:

- Manufactures or manufactured CEDs under a brand that it owns or is licensed to use (unless the license is to manufacture CEDs for delivery exclusively to or at the order of the licenser);
- Sells or sold CEDs manufactured by others under a brand that the seller owns;



Quality

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DEQ is a leader in restoring, maintaining and enhancing the quality of Oregon's air, land and water.



- Manufactures or manufactured CEDs without affixing a brand;
- Manufactures or manufactured CEDs to which it affixes a brand that it does not own; or
- Imports or imported CEDs (unless at the time the CEDs were imported they were registered by another manufacturer).

Manufacturer Requirements

Each manufacturer must:

- **Register with DEQ.** Manufacturers must register with DEQ annually. Registration is open from October 15 to December 31 every year.
- Pay registration fee. Manufacturers must pay a registration fee to DEQ annually. Invoices for registration fees are sent May 1; payment is due July 1.
- Participate in a recycling program. At the time of registration, manufacturers must indicate which recycling program they will participate in: the State Contractor Program, their own program or a group program. Please note that manufacturers must meet certain requirements to pursue their own or group program. See Section 6 for more information about recycling programs.
- Pay recycling fee. DEQ sends annual recycling fee invoices to manufacturers in the State Contractor Program on July 1; fees are due September 1. Participants in a manufacturer plan pay according to the contractual agreements of that plan.
- Label computers, monitors and TVs. All computers, monitors and TVs sold in or into Oregon must have a permanent, visible brand label affixed to the product. The brand is a name or logo identifying a CED in the consumer marketplace and attributing the CED to a manufacturer. "White box" or unlabeled products are not legal for sale.

The timeline below highlights key dates:

Oct. 15 – Dec. 31	Manufacturer registration period. Manufacturers register online at www.ecycleregistration.org .
March 15	DEQ mails preliminary registration tier placements for current-year registration fees to manufacturers.
April 15	Manufacturer deadline for submitting tier reassignment requests to DEQ.
May 1	DEQ mails final registration tier placements and invoices for current-year registration fees to manufacturers and posts on www.oregonecycles.org .
	DEQ mails minimum recycling obligations (return share and return share by weight) for <u>next</u> calendar year to manufacturers and posts on <u>www.oregonecycles.org</u> .
July 1	Manufacturer registration fees for current calendar year due to DEQ.
	DEQ mails current-year recycling fee invoices to manufacturers participating in the State Contractor Program.
Sept 1	Recycling fee payment deadline for manufacturers participating in the State Contractor Program.

Section 3: Manufacturer Registration

Manufacturers must register with DEQ annually, and are encouraged to do so online. Registration opens on October 15 and closes on December 31 each year. DEQ will accept late registrations and registrations from new manufacturers throughout the year.

Online Registration

DEQ would like all manufacturers to register via the eCycleRegistration website: www.ecycleregistration.org

This service is a tool developed by the Electronics Recycling Coordination Clearinghouse (ERCC), and provides a central platform for manufacturers to register their brands under multiple states with e-waste laws. If you have not already done so, please visit www.ecycleregistration.org to set up your account.

Why register online? The biggest benefit is that it makes registering for Oregon E-Cycles in subsequent years a lot easier. After you set up your account, and register for the first time, you'll simply need to verify and/or edit that information in subsequent years. That should avoid a lot of redundant data entry for you, and for DEQ.

The eCycleRegistration website will prompt you to enter the following information:

- Manufacturer name and web address.
- The type of recycling program the manufacturer will participate in for the following year: the State Contractor Program, an individual manufacturer program, or a group manufacturer program.
- Name, address, phone number and e-mail for a primary and billing contact (if different). The primary contact receives notifications about registration and compliance issues; the billing contact receives invoices.
- A list of all the manufacturer's current and former brands of computers, monitors and TVs, including dates manufactured. For former brands, the manufacturer must also note whether the brand has been discontinued or is being made by another manufacturer.
- Finally, your company's designated representative will be prompted to certify that the information provided is accurate, and that they have reviewed their responsibilities under Oregon E-Cycles.

After submitting your registration, DEQ will review, approve and/or follow-up with you directly if further clarification is required.

For general questions about Oregon's Electronics Recycling Law, please contact Oregon E-Cycles Program staff at 503-229-5830 or via e-mail at ecycle.info@deq.state.or.us.

For technical questions about the eCycleRegistration website, please contact Jason Linnell of ERCC at <u>jlinnell@electronicsrecycling.org</u>.

Section 4: Registration Fees and Tier Assignments

Manufacturers must pay registration fees annually. This fee covers DEQ's costs of administering Oregon E-Cycles. Please note that this fee is separate from any fees that may be assessed for the State Contractor Program or an independent program for the collection, transportation and recycling of computers, monitors and TVs.

Manufacturers are placed in one of seven tiers, depending on their market share from the previous calendar year. Each tier is assessed a certain fee, which ranges from \$40 to \$35,000. DEQ sends manufacturers an invoice for their registration fee after May 1; fees are due July 1.

The table below describes the current tiers. Fees for each tier are based on calendar year revenue need (for example, calendar year 2013 revenue need was \$435,000). DEQ uses a formula to distribute this revenue need among registered manufacturers based on their market share. The formula for calculating fees is described in E-Cycles rules at Oregon Administrative Rules OAR 340-098-0000 through 340-098-200.

Tiers	Manufacturer's Market Share
1	5% or greater
2	1% to < 5%
3	0.1% to < 1%
4	0.03% to < 0.1%
5	0.01% to < 0.03%
6	50 units to < 0.01%
7	< 50 units

Determining Market Share for Registration Fees

Registration fees are allotted on tiers based on unit sales of computers, monitors and TVs in Oregon for the previous calendar year. To calculate manufacturer tier assignments, DEQ may use any combination of the following:

- generally available market research data
- unit sales data supplied by manufacturers for brands they manufacture or sell
- unit sales data supplied by retailers for brands they sell

Assigning registration fees requires that DEQ establish a realistic assessment of the consumer electronics market and the companies participating in it. First, DEQ purchases market share information from a national market research firm and adjusts that data to represent Oregon sales based on Oregon's share of the U.S. population.

DEQ supplements purchased market share data with data from retailers and manufacturers whose sales are not included in the purchased market share and/or retailer data, and also solicits data from all registered manufacturers.

Next, DEQ determines the combined unit sales of CEDs of all brands owned by each manufacturer and uses this data to estimate each manufacturer's share as a percentage of the total sales of CEDs in Oregon. For more information on market share calculations, please see DEQ's website: www.deq.state.or.us/lq/ecycle/manufacturers/registration.htm#Tiers

Tier Assignments and Reassignment Requests

DEQ makes preliminary tier assignments in March each year. If a manufacturer feels it has been placed in the wrong tier, it must request reassignment by mid-April. A request for tier reassignment must be submitted in writing as specified in the preliminary notice and must include:

- a justification for a tier reassignment, and
- the number of units of computers, monitors and TVs sold in the previous calendar year nationally or in/into Oregon.

DEQ may require additional information to evaluate the request. DEQ will notify all manufacturers of their final tier assignments and send invoices for registration fees in May of each year. Manufacturers may claim trade secret or business records protection for any data submitted. DEQ will protect that information to the extent allowed by law.

Section 5: Recycling Obligations - Return Share and Return Share by Weight

DEQ assigns all manufacturers a minimum recycling obligation by May 1 each year. This obligation, **or return share and return share by weight**, is the percentage and weight, respectively, of computers, monitors and TVs that a manufacturer is responsible for recycling through a recycling program.

The return share by weight for IT manufacturers (manufacturers selling more computers and monitors than TVs) is based on their portion of **CEDs returned for recycling in Oregon,** as determined by sampling **during** the previous year. The total return share by weight of all TV manufacturers (those making more TVs than computers or monitors) is reallocated among those manufacturers based on their TV market share.

Calculating Return Share and Return Share by Weight

Return share is a percentage determined by dividing the total weight of CEDs for an individual manufacturer's brands by the total weight of CEDs for all manufacturers' brands collected for recycling in Oregon the previous year. This calculation does not include orphan brand items, or CEDs for which there is no identifiable manufacturer.

Return share by weight is calculated by multiplying a manufacturer's return share percentage by the total weight of CEDs, including orphans, which DEQ determines will be collected the following year by all Oregon E-Cycles recycling programs.

Data Used to Calculate Return Share and Return Share by Weight

DEQ uses return share data from sampling events in Oregon to calculate return shares and return shares by weight each year. These sampling events occur at E-Cycle recycling facilities throughout the year to obtain a representative and statistically valid number of samples. DEQ gathers brand name, weight and device type.

For more information on how DEQ calculates recycling obligations, see: www.deq.state.or.us/lq/ecycle/manufacturers/recycling.htm

Section 6: Recycling Programs

Manufacturers must participate in a DEQ-approved recycling program. Manufacturers are required to declare which recycling program they will participate in for the following calendar year at the time of registration.

Recycling Program Requirements

Each recycling program must:

- 1. Establish a collection site in every city with a population of 10,000 or greater.
- 2. Provide a collection service in every county.
- 3. Provide FREE recycling for all brands of computers, monitors and TVs to anyone bringing seven or fewer items to a participating collection site.
- 4. Operate throughout the year.
- Meet or exceed DEQ <u>Environmental Management Practices</u> and <u>Collection System</u> Standards.
- 6. Cover its recycling program costs

Recycling programs may choose to provide additional "premium services" to customers. Premium services are services that are offered by participating recycling programs under Oregon E-Cycles in addition to the required collection sites and services. Examples of premium services could include mail-back or pick-up services. Recycling programs may charge a fee for premium services.

Recycling Program Options

A manufacturer may participate in three types of recycling programs:

- State Contractor Program: All manufacturers are participants in the state contractor program unless they choose to participate in and meet the qualifications for an individual or group manufacturer program.
- Individual Manufacturer Program: A manufacturer with a minimum of five percent return share may implement a program under a plan approved by DEQ. The plan must identify a representative for the recycling program.
- **Group Manufacturer Program:** A group of manufacturers may implement a manufacturer program as one entity if the sum of their return shares is at least five percent. The group implements a program under a plan approved by DEQ. The plan must identify a representative for the recycling program.

More Information

Please see DEQ's **Guide for Manufacturer Recycling Programs** for additional information.

Section 7: Recycling Costs

Recycling programs are responsible for covering the costs of collecting, transporting and recycling CEDs year round as well as any administrative costs associated with implementing their program. See Section 6, Recycling Programs, for more information on recycling program options. See Section 5, Recycling Obligations: Return Share and Return Share by Weight, for more information on how recycling obligations are determined.

Manufacturer Program Participants

Manufacturers that participate in an individual or group program are responsible for covering the costs associated with recycling CEDs collected through their programs. These include collection, transportation and recycling costs as well as any administrative, overhead, sampling or other costs incurred from program implementation.

A group program determines how costs are distributed among multiple manufacturers through contractual arrangements with its participants. DEQ does not set or determine how group programs distribute costs.

State Contractor Program Participants

Manufacturers that participate in the State Contractor Program are assessed a per-pound fee in July for the following calendar year. This fee is set annually to cover program costs for collection, transportation, recycling and sampling; the program's administrative costs; and a small amount for contingencies.

DEQ sends participants in the state program an invoice for their recycling fee in early July to cover recycling costs for the following calendar year; fees are due September 1. This fee is determined by multiplying each manufacturer's minimum recycling obligation by the established per-pound fee for that year.

For example, if a computer manufacturer has a recycling obligation of 500 pounds and the recycling fee for that year is \$0.24/lb, that manufacturer would receive a DEQ invoice of \$120. Since the initial recycling fee is based on projections, a year-end assessment of actual costs and revenues may result in DEQ issuing manufacturers an additional fee invoice or credit.

Section 8: Frequently Asked Questions

Here are some additional questions you may have about Oregon E-Cycles not covered earlier in this document.

I previously manufactured computers, monitors or TVs. Am I a manufacturer?

Yes. Former manufacturers must register their covered devices for each calendar year they are sold in or into Oregon or were returned for recycling through E-Cycles during the previous calendar year — unless those devices are registered by another manufacturer. A former manufacturer whose devices are no longer sold in or into Oregon may register with DEQ during the annual registration period and pay the lowest registration fee (currently \$40 for manufacturers with no market share). If that former manufacturer does not register but its devices were returned for recycling the previous year, the manufacturer must register and pay a registration fee of \$250 within 30 days of receiving notification from DEQ.

Additionally, former IT manufacturers are responsible for their recycling obligation (returns share by weight) through participation in the State Contractor Program or a manufacturer program. Former TV manufacturers do not have a recycling obligation if they have no current market share.

I build generic or "white box" computers, monitors or TVs. Am I a manufacturer?

Yes. If you build computers, monitors or TVs, you are considered the manufacturer of that device and must register and participate in a recycling program under Oregon E-Cycles. Additionally, you must affix a brand label to all CEDs. If you don't have a brand or logo, your company name may be used instead.

I only make a small number of computers, monitors or TVs. Am I a manufacturer?

Yes. All manufacturers of computers, monitors and TVs – regardless of how many of these items they make – must participate in Oregon E-Cycles. Because registration fees are based on your market share (i.e. sales of your products in or into Oregon), it's likely you'll be in the lowest tier category and therefore pay the smallest registration fee (currently \$40).

Additionally, your recycling obligation is based on your brands of CEDs that are returned for recycling in Oregon the previous calendar year. If none of your brands are returned for recycling, you'll not incur a recycling fee for that year.

I already recycle parts from my shop. Do I still have to participate in a recycling program?

Yes. Electronics manufacturers must participate in one of the Oregon E-Cycles recycling programs, which provide statewide networks for free and convenient electronics recycling open to the public under a plan approved by DEQ.

I only manufacture components for computers, monitors or TVs. Do I need to register?

No. Registration is required only for manufacturers of whole devices of computers, monitors and TVs, not their individual parts or components (e.g., memory, hard drives, etc.).

I'm a new manufacturer. What do I need to do?

New manufacturers must register with DEQ before their brands of CEDs can be sold or offered for sale in or into Oregon. DEQ accepts registrations throughout the year. After receiving a new manufacturer's registration form, DEQ will issue a registration fee invoice.

What happens if I fail to comply with these requirements?

Current manufacturers that fail to comply with their requirements will not be listed on DEQ's manufacturer compliance list and their products will not be permitted to be sold in or into Oregon. Retailers are permitted to sell only brands of computers, monitors and TVs from manufacturers listed as "compliant" or "pending" on the manufacturer compliance list. This restriction applies to all types of sales, including in-store, catalog, phone and Internet.

Furthermore, both current and former noncompliant manufacturers may be subject to civil penalties as outlined in Oregon statutes. DEQ's manufacturer compliance list is available on DEQ's website: www.deq.state.or.us/lq/ecycle/manufacturers/compliance.htm

I am a manufacturer who is also a retailer selling computers, monitors or TVs. Are there additional requirements I need to meet?

Yes. Retailers that sell computers, monitors or TVs must provide information about Oregon E-Cycles recycling opportunities to customers at the point of sale and are allowed to sell only devices that have a brand label affixed and on DEQ's list of compliant brands. For more information on retailer requirements, see DEQ's website: www.deq.state.or.us/lq/ecycle/retailers/

How much will my fees be and when are they due?

Manufacturers must pay registration fees annually. In addition to registration fees, manufacturers must participate in a recycling program. Participants in the State Contractor Program pay an annual recycling fee to DEQ to cover the costs of that program. Participants in manufacturer recycling programs cover those program costs as determined by those programs. For more information on manufacturer registration fees, see Section 4. For more information on recycling fee and program costs, see Section 7.

Can I update information after I submit my registration form?

Yes. If any information changes during the course of the year, such as contact information or brand information, please email ecycle.info@deq.state.or.us with updates.

Can I change my recycling program participation?

Manufacturers must declare which recycling program they'll participate in for the following calendar year on their annual registration form. For example, when registering for 2012, a manufacturer indicates the recycling program it will participate in for 2013. This choice cannot be changed during the course of the recycling program year.

Section 9: Contacts and Online Resources

For general questions about Oregon E-Cycles:

Oregon E-Cycles Program 503-229-5830; toll-free in Oregon at 1-800-452-4011, ext. 5830 ecycle.info@deq.state.or.us

Oregon E-Cycles Web Resources

- Oregon E-Cycles home page www.oregonecycles.org
- Manufacturer compliance list (updated on the first of every month)
 www.deq.state.or.us/lq/ecycle/manufacturers/compliance.htm
- Manufacturer FAQs www.deq.state.or.us/lq/ecycle/manufacturers/faq.htm
- Manufacturer registration info www.deq.state.or.us/lq/ecycle/manufacturers/registration.htm
- Manufacturer requirements www.deq.state.or.us/lq/ecycle/manufacturers/
- Return share and return share by weight obligations www.deq.state.or.us/lq/ecycle/manufacturers/recycling.htm#returnshare
- Recycling program contacts
 www.deq.state.or.us/lq/ecycle/contacts.htm
- Tier Assignments www.deq.state.or.us/lq/ecycle/manufacturers/registration.htm#Tiers

Alternative Formats

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