

4th Quarter 2012

HIGHLIGHTS

- > 37 million pounds of CEP's have been collected from Washington State residents and covered entities through 10 months of 2012. This represents a 4.8% increase over 2011 total pounds YTD.
- > 73% of the CEP pounds collected were TV's, 19% monitors, and 8% computers.
- > Plan total expenses were \$.25 cents per pound collected, transported, and processed YTD 2012 vs. \$.25 for the same period of 2011. Transport and processing expenses have increased over prior year's while collection and administrative expenses have decreased in an equivalent offsetting amount.
- > Total expenses for 2012 are shared by all member manufacturers per WMMFA financing policy based on a ratio of 65% market share and 35% return share. Member responsibility for 2013 will be based upon 70% market -by weight- of devices sold in state and 30% return share -by weight- of devices returning for recycling within the state (statistical sampling % of total). Plan expenses will be based on a ratio of 100% market share + 0% return share beginning in 2016.
- > Funded "reserves" at the end of October stood at 0% of anticipated expenses for the 4th quarter. There was a credit issued to all members on the 4th quarter 2012 invoice of approximately 10% of their share of budgeted expenses in order to minimize the total reserve by year's end.
- > The WMMFA has collected 99.9% of the total amount due on all 2012 Q1 through Q3 member manufacturer invoices issued to date.
- > January through September brand return share sampling results will be used for computing member return share for Q1 2013 invoices. The complete brand name list/shares and orphan shares are available at > [2012 final return share data for 2013 invoicing - WA state.](#)
- > Manufacturer's market share percentages for 2013 will be based upon manufacturer provided reports, POS, and consumer survey data for the sales period July 2011 through June 2012. A market share survey is sent to all member manufacturers in July of each year. Sales data is converted to pounds based on average product sales weights. Details with FAQ's on how invoices are calculated are included with every invoice and are available here: [Q1 2013 invoice / FAQ's.](#)
- > The Authority has 7 approved processors (6 in State) that meet the preferred processing standards. 40+ transporters also participate. Processors and transporters are chosen based on competitive rates, quality of services, and compliance with standards. None of our processors have reported any export of materials of concern to non OECD countries.
- > Authority operational management and administrative functions are handled in house by a staff consisting of an Executive Director and 1.5 (FTE) assistants. Administrative expenses (salaries, wages, rent, office, insurance and miscellaneous) account for 3.1 % of total expenses 2012 YTD.

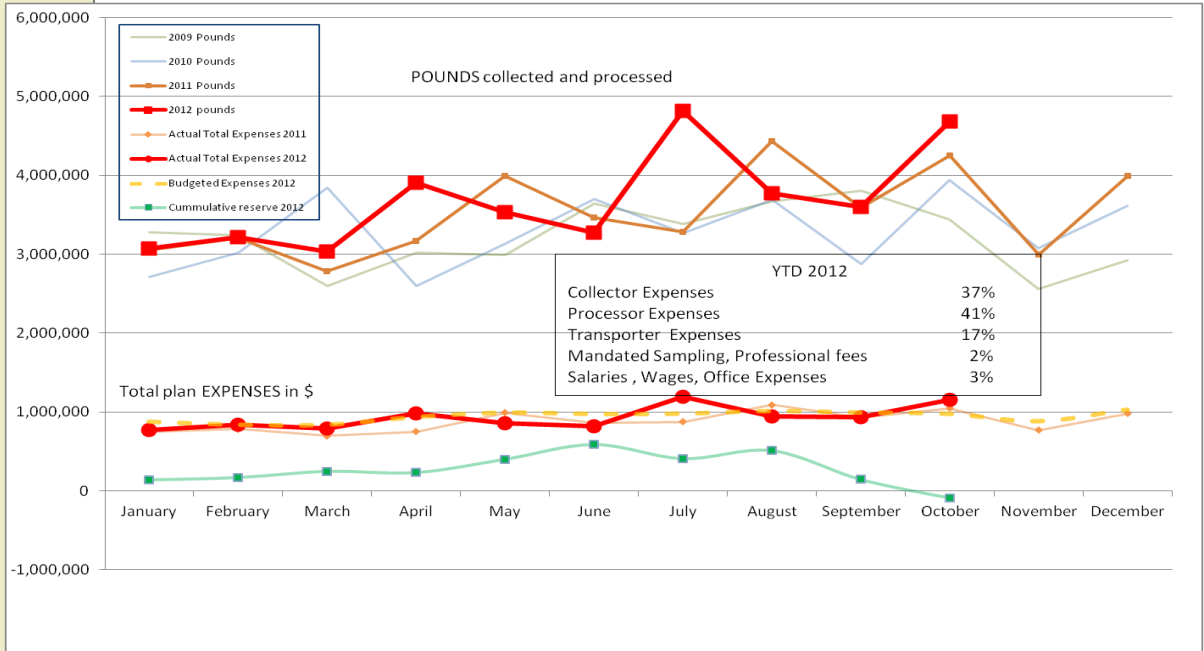
MEMBER MANUFACTURER'S NEWSLETTER



" The mission of the WMMFA is to provide responsible end of life recycling for the citizens of Washington State in compliance with state law and Department of Ecology direction, and in the most cost-effective manner for our members. The WMMFA is committed to being the lowest cost plan provider for mandated electronics recycling in Washington State, to provide fair and equitable expense allocation to our members, and to treat all stakeholders and service providers fairly and reasonably. "



OPERATIONAL & FINANCIAL SUMMARY



E-cycle program comments

- The volume of covered products being returned for recycling has increased by 8% 2010 to 2011 and 5% 2011 to 2012. The primary reason for this is the outreach / advertising of the statewide collection network. Retailers are informing the public via sales receipt information and electronic product labeling at purchase of new products. Local governments are advertising via on-line tools and print media. Ecology has purchased bill board space and attended recycling events and fairs statewide, while the WMMFA provides collectors with print media and radio, on-line and TV public service announcements. Corroboration and participation in program promotion by these stakeholders is required. Several counties have also implemented hard (legal) and soft(referral) land fill bans of electronic products.
- Rates paid to Standard Plan collectors are based upon a collector's costs for maintaining a staffed collection site and their operational characteristics in comparison with similar collectors within the plan.
- Administrative expenses, including salaries, wages, rent, insurance are 3.1% of total expenses 2012 YTD vs. 3.3% YTD same period 2011 attributable to greater volume in 2012 and some cost savings.
- Over 58% of the WMMFA Standard plan volume is collected by charitable non-profit organizations that provide a re-use opportunity for working devices and also allow the WMMFA to receive collected pounds credit of 5% of this volume in the event that pounds goals are established by the advent/approval of an independent plan. The plan the WMMFA operates has no pounds goals at this time as volume is driven by other factors (convenience, diverse collection network, outreach).
- The manufacturer represented WMMFA board requested an independent review of the Authority's 2011 financial statements at the January 2012 Board meeting. The financial statements and the review of them by an independent CPA are now available upon request.

The WMMFA is a member manufacturer Board directed Authority mandated by state law. Board meetings are held on the 3rd Thursday of every other month. WMMFA Board meetings are open to our members and the public. For more detailed information please check our website at wmmfa.net