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P.O. Box 607  
Clovis, CA  
93613-0607  
916.441.CRRA [2772]  
Fax 916.676-4882

# California Resource Recovery Association

May 7, 2009

To: CRRA Members  
From: CRRA Board of Directors  
Re: National Recycling Coalition Potential Merger with KAB

As a member of the CRRA, your dues also pay for membership in the National Recycling Coalition (NRC). The NRC was founded in 1982 here in California, and it has grown significantly over the years as it has gained national prominence as “The voice of recycling” in the on-going discussions of national recycling and waste diversion activities.

On February 3, 2009, NRC Board President David Refkin released a statement of concern regarding the financial status of the NRC that reads in part:

“The (NRC) Board is exploring a number of strategic options that will ensure that NRC is preserved as a national, member-based, multi-sector, and financially viable organization, committed to its mission and directed by its guiding principles. Among the options we feel we must consider are more extensive program and event partnering, asset sharing arrangements, and the possibility of consolidation with another organization of similar mission and interests. We will be acting expeditiously but prudently as we move forward over the coming weeks to consider and develop these alternatives.”

Although this letter was distributed to affiliated states, it was not distributed to the NRC membership. We are disappointed that the NRC has not addressed this financial distress disclosure to the entire NRC Membership, as we honor the code of financial transparency.

Of larger concern are the closed executive sessions of the NRC Board on Thursday, March 26<sup>th</sup>, and again on Wednesday, April 29<sup>th</sup>. The first closed door discussion was labeled “Restructuring and Downsizing” and “Strategic Issues”. The hint through the February 3<sup>rd</sup> letter, as well as a confidential briefing at the February 28<sup>th</sup> Recycling Organization Council (ROC) meeting, strongly indicated that the NRC Board is seriously discussing a merger with another organization. The second meeting discussed “the dissolution of NRC”.

Furthermore, Jerry Powell of Resource Recycling reported that the NRC is negotiating a merger with Keep America Beautiful (KAB). This claim was not substantiated to NRC members through communications with the NRC Board members, until the May 7<sup>th</sup> e-mail announcement from the NRC. In fact, there was no word from the NRC Board on the status of the possible “consolidation with another organization” until now.

**The NRC Board's full intent, as discussed in the April 29<sup>th</sup> meeting, is to file for bankruptcy and bargain with the KAB to acquire the assets of the NRC organization. All of this activity is without consultation or consent of the membership.**

**Although KAB is a worthy national organization, its mission is not congruent with that of the NRC!** In fact, we believe that KAB's historic activities have blocked bottle bill attempts in many states, and have relegated recycling as a lower priority than its primary mission of litter abatement. As such, the CRRA Board of Directors is gravely concerned with this direction and unanimously and adamantly opposes an NRC merger with KAB.

The NRC Board has noted that the financial situation of the NRC is in "dire straits". The CRRA Board wants to make CRRA members more aware of this NRC fiscal crisis by requesting that the NRC become more financially transparent as it attempts to find solutions to its current financial situation. At a minimum, we want the NRC Board to be immediately required to post financial statements and Board minutes on the NRC website.

In the coming weeks, we hope the NRC will present this issue in full disclosure to the NRC membership, including all CRRA members. As it does, we ask for your input and involvement, particularly on the issue of a potential merger with KAB.

Would the merger make sense for recyclers? We say no!

Would the new organization be the "Voice of Recycling" that we need in Washington? We say no!

Would the merged organization promote a national bottle bill, or work against one as it has in the past?

Will we members get more transparency from KAB or less? We don't see transparency on the KAB website.

Do KAB members have voting rights? It appears KAB does not have a voting membership structure.

Who currently comprises the KAB board? The KAB Board was not posted on their website until recently.

Who elects or appoints the KAB board of directors? We assume the corporate donors?

To quote [www.sourcewatch.org](http://www.sourcewatch.org) "Some of the bigger funders include companies such as PepsiCo, Philip Morris, Waste Management, Anheuser-Busch, Georgia-Pacific, Coca-Cola, Home Depot, McDonald's." "KAB has a significant number of corporate sponsors. It's strongest support comes from beverage and packaging industries but includes a wide range of industries." KAB appears to align themselves with corporations vs. environmental organizations or professionals.

We, the CRRA Board of Directors, believe that this merger is inconsistent with the mission of the CRRA and the NRC, and we ask you to [VOTE "NO"](#) if this measure appears on a future NRC ballot.

We encourage an open debate on this potential merger. We ask you as a CRRA and NRC member to voice your opinion. Please post your thoughts on the CRRA listserv regarding the future of the National Recycling Coalition.

We look forward to hearing your opinions on this important matter.

CRRA Board of Directors:

Julie Muir, CRRA President

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California  
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Association

**For more information and to express your opinion, please visit the [Vote NO KAB](#) website.**