

*Representing The Wiping Materials, Recycled Clothing, New Textile By Products and Fiber Industries*

## Beautiful Weather! Another Outstanding Convention!

Association members traveled from various parts of the United States, Canada, and Europe to Naples, Florida to attend the 2006 Annual Convention. Everyone enjoyed four days of perfect weather, superb service of the Ritz-Carlton Hotel, great networking, and other special activities.

At the SMART Annual Meeting, President Bob Travis delivered the State of the Association Address highlighting many of the key association activities. As part of every annual meeting, elections were held resulting in a new slate of officers and board members. Johnny Stewart and Robert Goode were elected to their first terms as members of the Board of Directors.

### Officers

President – William Schapiro, Whitehouse & Schapiro, LLC  
Vice President – Carren Kay, The Carnegie Textile Co.  
Treasurer -- Ed Freeman, Bro-Tex Inc.  
Immediate President – Robert Travis, E. Butterworth & Co.

### At Large Directors Serving Until 2008

Johnny Stewart, U.S. Soft Wiping Cloth, Inc.  
Robert Goode, Fab-Tech Company  
Janet Tourtellot, The Upside-Down Turtle  
Joe Gartland, The L.L. Clean Co.  
Hal Kanefsky, A&B Wiper Supply, Inc. *Wiper Chapter Designate*  
\*Nick Terlaak Poot, Fiber Conversion, *Textile By-Products Designate*

### Directors with Terms Expiring in 2007

Lee Benovitz, OVASCO Industries  
Sunny Hull, Mid-West Textiles  
Aquil Khandwala, American Rags, Inc.  
Elliot Sheftel, A. Sheftel & Sons  
Hassan Hamdani, *Canadian Chapter Designate*

### Convention Committee News



The Convention Committee recommended to the Board of Directors that plans for the 2008 Annual Convention be changed due to members' requests to meet at a resort destination. The committee recommended returning to Manalapan (West Palm Beach), Amelia Island (near Jacksonville, Fl) or Scottsdale, Arizona. With plans well underway for the association's 75<sup>th</sup> anniversary celebration, the group discussed ideas for programs and social events. This event will take place at the Hyatt Regency Hotel in Maui, Hawaii. During their discussions of future sites, committee members examined many key factors including access, costs, and facilities.

### 2007 Regional Meetings

To complement the annual meeting, the Convention Committee recommended to the Board Toronto, Houston, and Atlantic City for next year's Regional Meetings. These destinations are tentative based upon hotel availability and conflicts with various state and religious holidays. As soon as dates are finalized, the association will notify all members.

**SECONDARY MATERIALS AND RECYCLED TEXTILES**

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In looking at current and future programs, the Convention Committee discussed a wide variety of related issues regarding SMART Marketplace, program content, and the length of meetings. There was also discussion about the hotel contracts that require the association to meet it room block commitment, food and beverage guarantees, and room rates. It was decided to limit Marketplace to members standing up to introduce themselves and a handout that members will receive at registration.

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### **SMART's Top Golfers**

Six teams of enthusiastic golfers gathered on the Ritz-Carlton's world famous Tiburon Golf Course to participate in SMART's 2006 Annual Golf Tournament. Excellent weather was only exceeded by the superior golf game each member turned in at the end of the day. However, only one team could win first place. That team included: Elliot Sheftel, Charles Rozansky, Richard Daniels and Jason Daniels. Congratulations to all.

### **Toronto Regional Meeting**

It is not too soon to begin making arrangements to attend SMART's Canadian Regional Meeting on Wednesday, June 7. This great opportunity to network with top executives in the used clothing, wiper, and fiber markets will be held at the DoubleTree International Plaza Airport Hotel in Toronto. Last year more than 80 SMART members and guests attended this event! This dinner meeting provides lots of time for discussion and casual interaction. The evening begins at 5 p.m. with a one-hour cash bar.

The registration fees are: \$150 for members and \$180 for Non Members. If you need overnight accommodations, please contact the DoubleTree for reservations: 416/244-1711 or 800/222-8733. The SMART overnight group rate is \$149 (Canadian) per night.

Currently, discussions are underway to expand the program by including an optional information/education program on exporting. Tentative plans call for this new session to be held around 2 p.m. at the DoubleTree. The goal of this meeting is to provide members an opportunity

to come together and learn about ways to expand into new markets. As soon as details of this optional program are available SMART will publish them.

If you have any questions, please contact Mary Ann at 301/656-1077 x 103 or [maryann@smartasn.org](mailto:maryann@smartasn.org).

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### **SMART Launches Survey 100 Percent Participation Needed**

In early May SMART will be sending to all members a brief questionnaire in order to gather reliable and factual information that will be used in the aggregate when speaking with government officials, the news media, and others interested in our industry. The SMART Board of Directors voted unanimously to develop a Member Profile Survey and give it to all SMART members. Members will be asked to complete the survey, which will take less than 7 minutes to complete, and return it to an independent third party who will tabulate the results. Once all surveys are tallied the individual responses will be destroyed.

SMART Long Range Planning Consultant Dr. Hugh Aberman sees this as an important step in gaining credibility for this industry. Aberman says, "Members have told me that one of the important reasons they have joined SMART is to have someone fighting for them against political and governmental decisions that threaten their trade. The Member Profile survey responses give those who fight for SMART important knowledge about the members they represent. Many current and former SMART officers have told me how vital this information is for lobbying effectively on behalf of SMART members. I urge every member to respond: if you joined SMART to obtain political and governmental interventions on your behalf, give those who advocate for you the information to do their job well."

SMART's goal is to have 100 percent participation and begin the process of gathering information that will help this industry appear even more credible.



## President's Column

Bill Schapiro

### U+1 (You Plus One!)

Hats off to Bernie, Mary Ann, and our Convention Committee for their infinite patience and attention to detail that made our Naples visit so enjoyable. Members seemed very enthusiastic about the site selection and how things went so smoothly.

At our meeting in Naples, our new SMART consultant, Dr. Hugh Aberman led a wonderfully energetic long range planning session. The number one priority for SMART that emerged from that session was the desire for a strong push for more members.

Our always enthusiastic member, Janet Tourtellot, suggested that SMART should have an annual theme to give direction to our efforts, and thus, our "U + 1" campaign was born. An obvious shorthand for "you plus one," our theme asks every member to do all they can do to recruit just one (or more, of course) new member.

In 2004, SMART had 187 members. Today there are 223 members. But in the early 90's we had over 300. I believe we can achieve this again if each of us accepts the challenge to recruit one new member yourself. WE CAN DO THIS!

In her excellent book, "The Travels of a Tee Shirt in the Global Economy," Pietra Rivoli writes that the clothing recyclers "are on their own, without help or even notice from governments or lobbyists. There are no walls to keep out the lions....here finally is a global industry for the little guy."

We are that little guy, and we often have to fight big battles. In fighting for the fair treatment of our wipers, our 20 year struggle at EPA has put us up against the larger and more powerful shop towel industry.

On another front, a U.S. Customs ruling from 1998 states that clothing has to be essentially unwearable to be imported into the United States as "worn clothing" under section #6309 of the Harmonized Tariff Schedule. A group of SMART members led by Jerry Usatch, Sunny Hull and Ed Stubin are spearheading the fight against that ruling.

And all of us recognize the importance of networking with other members in building our businesses. For that purpose we have great opportunities at annual and regional meetings and online with SMARTLine and SMARTTrader.

But to fight our fights and have abundant networking opportunities, we simply have to have the power of numbers. That is why we are asking all of you to recognize how important it is to build our community of members through your U+1 involvement.

Our last great membership increase was in Canada where we now have more than 30 members. Our meeting there last June had terrific energy and enthusiasm and our upcoming Toronto meeting on June 7 promises to be just as lively.

We have to continue to be creative. There are now mills and manufacturers in Honduras and Pakistan and graders in India, Pakistan, Malaysia and Dubai. I believe that rather than being a shrinking industry, this is a changing and still dynamic one. We must change our thinking to realize that we really have a new source of members available to us, if we only put our energies in recruiting them in that direction.

I hope all members now understand why the theme "U + 1" is so vitally important to us now. I look forward to hearing many new "U + 1 success stories. Our continued success as an industry may depend on it.

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### Wiper Chapter Meets

Larry Groipen (ERC Wiping Products, Inc.) briefed members on the status of the proposed EPA wiper rule that has been in the works for more than 20 years. At this time, EPA is telling SMART the rule should be final by late next year. However, there have been numerous times when the organization has been given a "final" date only to be disappointed when extensions are granted.



As of now, EPA is redoing the risk assessment study which will require some months to conduct, collect public comments, and make a final decision. The industrial launderers have been aggressively doing whatever they can to delay and defeat this rule. They have made visits to Capitol Hill, EPA, and have even brought EPA officials to one of their member's laundry facilities.

To assure EPA finalizes this rule, INDA is considering hiring professional lobbyists to work Capitol Hill and EPA. To help cover some of the expenses associated with this effort, SMART members were asked to pledge \$500. The following companies have pledged to support this effort.

#### **SMART Member Supporters**

A & B Wiper Supply Inc.  
A. Sheftel & Sons, Inc.  
American Fiber & Finishing, Inc.  
American Waste and Textile  
Berk Wiper Converting, LLC  
Brad's Sales Company, Inc.  
Continental Textile Co. of WI, Inc.  
Dumont Export Corp.  
ERC Wiping Products Inc.  
Erie Cotton Products Co./Sanitary Wiping  
Industrial Wiper & Supply, Inc.  
JOSCO Products  
Joseph Gartland, Inc. Beautiful Rags  
Mednik Wiping Materials  
Mid-West Textile Co.  
Noamex, Inc.  
Oscar Daniels Co., Inc.  
Ovasco Industries  
Ryzun Corporation  
Star Wipers, Inc.  
Textile Waste Supply Co.  
Tranzonic Companies  
Whitehouse & Schapiro

All members who manufacturer, distribute, or supply the wiper industry have an important stake in the outcome of the EPA Wiper Rule. **If your name is not on the above list, please contact the SMART office and make your pledge.**

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## **Meet SMART's Officers**

### **President William Schapiro**

For Bill Schapiro, becoming president of SMART is particularly significant because, as he told members in Naples, Florida, "I actually entered this world because of this great organization. My mother's father, Sidney Kagner owned Bison Waste in Buffalo. My father was from Baltimore, my great-grandfather Solomon Schapiro having founded S. Schapiro and Sons in 1907.

Bill's story begins in 1948 at Mackinaw Island, Michigan at a convention of SMART's predecessor, IAWCM, the International Association of Wiping Cloth Manufacturers), which where his parents met!

Bill is a graduate of Duke University (1976) and the University of Maryland School of Law (1976). In 1976 Bill entered the family business and since then, has witnessed many dramatic changes in the industry.

"There are many things I love about this unique and always fascinating industry. There isn't a day that goes by that I don't learn something that I didn't know before. The changes ahead in this new global economy are immensely challenging for us. I look forward to a very interesting and creative two years serving as SMART's new president and thank everyone for this opportunity to serve," states Bill.

### **Vice President Carren Kay**

Carren Kay started working for Carnegie Textile Company in August of 1978, after marrying her husband Steve. Upon joining the company she worked in the warehouse sorting towels and napkins. Her father-in-law, Al Kay, brought her up to the front office and put her on telephone sales and from there, the rest is history. According to Carren, "I've come to think of my 28 years here as steady employment and an education that no amount of schooling could give me."

Carren sees SMART as a window of opportunity for anyone in the business, especially women. "In 1978, I think I was one of a handful of women in the "rag business," (as it was known then.) I have come to know many people in the business and consider them not only colleagues, but friends. SMART has made that possible," says Carren. Carren has actively served on the SMART Board of Directors and the Long Range Planning Committee.

## Atlanta Regional Meeting – SMART meets MEGATEX

SMART is continuing its effort to dovetail our meetings with others in the industry by scheduling the final 2006 SMART Regional Meeting for Wednesday, November 1 in Atlanta, GA. This SMART meeting will coincide with MEGATEX – a joining of the American Textile Machinery Exhibition – International (ATME-1) and the IFAI Expo 2006. Megatex will be held at the Georgia World Congress Center.

SMART's Atlanta Regional Meeting will begin at 5 p.m. with a cash bar reception. The evening will feature dinner and lots of networking time. Excellent opportunities to interact with other industry executives and discuss issues of interest are waiting for attendees.

SMART will add value to the Atlanta experience by scheduling meetings of the SMART Board of Directors and SMART Chapters earlier in the day prior to the Regional Meeting. These details are still being worked on and will be advertised as soon as possible.

A group of overnight rooms has been set aside for SMART at the Atlanta Marriott Marquis, Peachtree Center Ave., 1-800-228-9290. The group rate is \$145.

If you have any questions, please contact Mary Ann at 301/656-1077 x 103 or email [maryann@smartasn.org](mailto:maryann@smartasn.org).

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## WOMEN OF SMART

Two wonderful social events were enjoyed by the Women of SMART during the 2006 Annual Convention. On the opening day nearly 30 women attendees gathered to socialize and enjoy a presentation by the world famous Ritz-Carlton SPA staff.

While SMART golfers were on the golf course, a large contingent of Women of SMART boarded a bus for the trip to Old Town Naples and an afternoon of lunch and shopping. Special thanks to Shari Rozansky for her leadership and efforts in making this year's programs so successful.



## Celebrate SMART's 75<sup>th</sup> Anniversary in Hawaii

Aloha to all SMART members. Make your plans now to attend the 2007 SMART Annual Convention at the Hyatt Regency Maui Resort and Spa, February 11 – 14.

This is a unique opportunity to enjoy the beauties of Maui, the company of fellow SMART members and the benefits of all the educational and social events planned for you. The SMART room block is available for \$280 per night. You can contact the Hyatt Regency Maui Resort and Spa at 808-661-1234 or the Hyatt Reservation line at 800-233-1234.

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## APPI Electricity and Utility Update

### *Managing Increasing Utility Costs*

According to the Energy Information Administration, average gasoline prices in the United States are up by \$0.40 from this time a year ago. Watching gasoline price trends provides a rough depiction of electricity price trends. This is because gasoline and electricity are both created in large part from oil. The graph to the right displays the increases in gasoline prices from April 2004/2005 to April 2005/2006.

Electricity prices have followed the same trend as gasoline prices, with steady, gradual increases occurring over the past several years.

**Maryland, DC, and Delaware:**

New SOS (Standard Offer Service) rates have been approved for Maryland and DC to begin this June. DC businesses will be paying a 10 percent increase in electricity rates. Maryland businesses will be experiencing even higher increases, ranging from 14 to 53 percent. Delaware businesses will also see double-digit increases scheduled to occur in May 2006. Members in DC, DE, and MD should contact APPI immediately to learn about opportunities to lower electricity costs.

**Massachusetts, New York, and Texas:**

These markets continue to be competitive for electricity pricing. Electricity rates with local utilities increased over the past several months from 45 to 119 percent. Businesses in MA, NY, and TX should contact APPI to identify the best “fixed rate” option that will create budget certainty and alleviate future price increases. Additionally, those business locations that have an electricity contract expiring in 2006 should contact APPI immediately.

**About APPI:**

A member benefit of SMART is the APPI Savings Solutions Program. Managed by Affiliated Power Purchasers International (APPI), an independent utility consulting firm, this program provides savings solutions for your business. APPI’s electricity procurement service protects your business and your bottom line. APPI reviews pricing and product options, and then presents you with the most competitive electricity rates. You choose whether to implement APPI’s solutions.

Contact APPI at (800) 520-6685 or [info@appienergy.com](mailto:info@appienergy.com)

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**Congratulations Lee Benovitz**

SMART congratulates Lee Benovitz on being awarded the association’s Distinguish Service Award at this year’s annual convention. President Bob Travis recognized Lee for his leadership in serving on various committees and the SMART Board of Directors. The Distinguish Service Award is the association’s highest award.

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**From The Employee Perspective:**

72 percent of employees said they are not looking for a new position.  
48 percent said it’s likely they will leave their companies in the next three years.  
Employees still find the job market challenging;  
55 percent said it was difficult to find a job a year ago.  
42 percent believe it's even more challenging today.  
Despite employee perceptions of a tough job market, 60 percent said they are more likely to negotiate compensation packages now versus one year ago.  
43 percent of employees said their compensation has increased somewhat in the last year.  
40 percent reported no change.

*--Robert Half International Inc. and Careerbuilder.com*

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**New Members of SMART**

Johnson International Materials, Inc.  
**Jim Johnson**, President  
2908 Boca Chica Blvd., Brownsville, TX 78521  
Tel: 956/541-6364; Fax: 956-541-1446; Email:  
[Johnsoninternational@ies.net](mailto:Johnsoninternational@ies.net)  
Profile: Distributors of institutional wipers, reclaimed wipers, used clothing, export/import; grading/sorting; laundry; and retail outlets

**Winner of the Best Looking Truck**

John Gartland, president of Joseph Gartland, Inc. took home the honors for the best looking truck. Members had three selections but the picture provided by John Gartland took top honors in this people’s choice award. The winner took home a new color television courtesy of Steve Shapiro of Troy Industries, Inc.