



237 Jacksonville Road  
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LeckWasteServices.com  
(215) 675-8000

December 17, 2018

Dear Valued Customer:

Over the past twenty years, Leck Waste Services has led the industry at the forefront of single-stream recycling and renewable energy. In 2018, we diverted 80 million pounds of material away from landfills to waste-to-energy facilities. We have also implemented extensive recycling programs, annually repurposing more than 28 million pounds of materials including construction debris, concrete, cardboard, single stream, scrap metal, and yard waste. Leck Waste is committed to reducing our environmental impact and carbon footprint for the waste and recycling that we collect from our customers.

As you may be aware, we are facing a recycling market crisis in the United States. Recycling markets have been in decline for several years, but everything came to a head in January of this year when China, the world's largest recipient of recycled material, placed a ban on 24 categories of recyclables that it previously accepted for reuse. This action has had a negative economic impact on recyclers worldwide, but especially those in the United States where the supply of recycling drastically exceeds the demand. Furthermore, the United States and China are currently in a trade war and it is very unlikely that the ban on the 24 categories of recyclables will be lifted. The commodity market for recyclables is in a state of crisis and there is no end in sight. For the first time in history, the price to dispose of recycling has surpassed the cost of trash disposal.

Because we truly value the business relationships with our customers, our company absorbed the rising costs of recycling, and did so at a significant loss. However, starting January 1, 2019 we must increase our prices for recycling services. This increase is a direct response to current recycling market conditions and will only affect your recycling service rate.

Leck Waste Services continues to be committed to recycling and sustainability, because it is part of our core values stated in our mission statement:

***"We will be an innovator and leading provider of environmentally sustainable Waste and Recycling removal solutions, providing a safe working environment for our employees as we work to conserve our planet for future generations."***

We urge you to do some research on the topic by searching "China Recycling Ban" on the internet. If you wish to discuss this further, please contact us at 215-675-8000 or via email at [admin@georgeleckandson.com](mailto:admin@georgeleckandson.com)

Thank you for your continued trust and business.

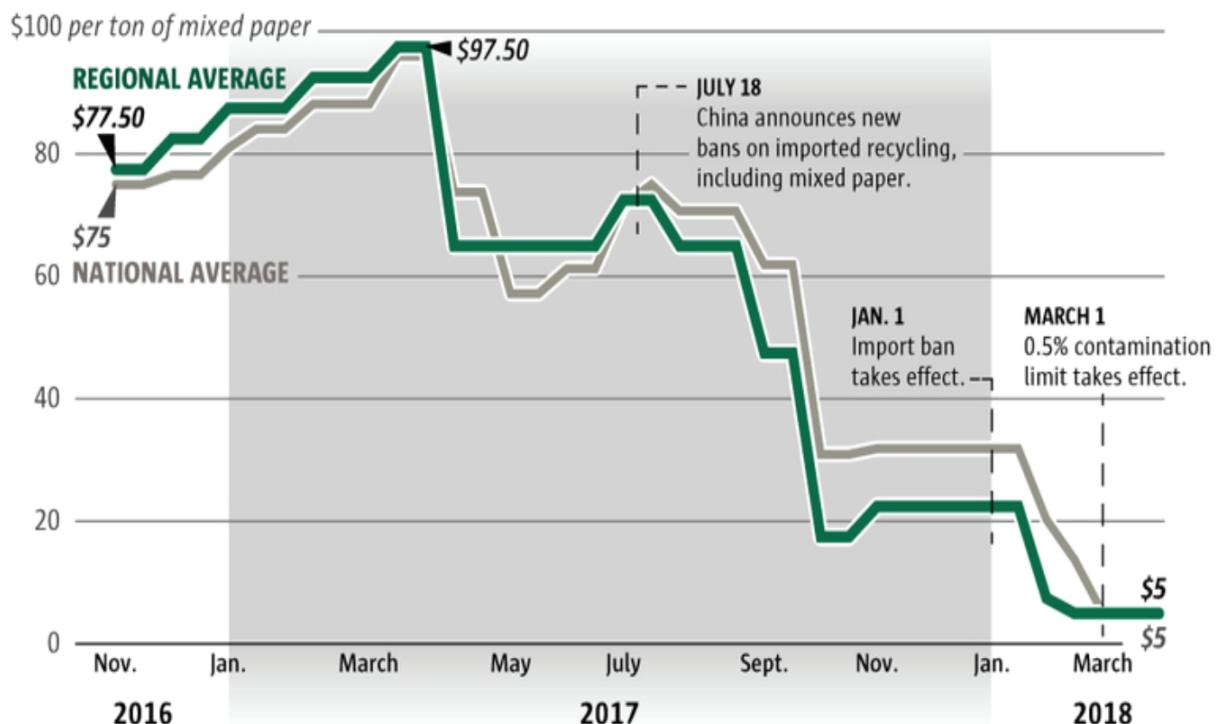
Sincerely,

Jason M. Leck  
Vice-President

January 1, 2019

## China closes the door, prices crash

The average price paid to recyclers for a ton of mixed paper in North America has plummeted in the last year. Source: RecycleMarkets.net



Emily M. Eng, Seattle Times

## recycling today®

**WHAT'S WRONG WITH  
RECYCLING TODAY?**  
June 8, 2018 by Bill Caesar

WCA Waste Corp. CEO Bill Caesar says recycling that is not economically grounded is not sustainable. Like most commodity markets, the recycling market has been cyclical, and adverse conditions eventually turned around; but, this time it is different. The importation of recyclables/trash has become a political subject in China, not just an economic one.

What does this mean to the recycling customer? In the short term, it means the cost of recycling outweighs the value of recycling for most companies involved in the process. MRF (material recovery facilities) operators who face rising costs and falling values for their commodities must pass those costs on to collection companies to survive, and collection companies, in turn, must pass on those costs to customers.

No collection company is immune to this challenge. Some may charge more for trash service to continue the illusion that recycling is lower-cost than trash collection, while others will charge appropriately for recycling services and explain why higher prices or additional fees are warranted. No one is happy about the situation we find ourselves in today, but recycling that is not economically grounded is just not sustainable.

## The Inquirer DAILY NEWS philly.com

**WHY RECYCLING IS NOW A MONEY LOSER,  
NOT A MONEYMAKER FOR PHILLY**  
July 23, 2018 by Frank Kummer

A truck loaded with curbside recycling opened its giant maw and five tons of plastic, cardboard, and metal spewed to the ground next to a 25-foot-high pile of recyclables recently dumped at the Republic Services facility in Philadelphia.

By the end of the day, the Grays Ferry location had received up to 500 tons of recyclables - processed at a rate of 25 tons an hour. It's a staggering amount to move, sort, bale, and ship on a daily basis. About 20 percent goes to landfills because of non-recyclable items such as hoses, rigid plastic containers, and pizza boxes mixed in.

Five years ago, **Philadelphia was getting paid good money by contractors for recyclables - about \$65 a ton. By last year, it was paying \$4 a ton just to get rid of it. Now, it's paying \$38 a ton.** If the trend continues, recyclables could become just as expensive to get rid of as ordinary waste, which means items once recycled will go straight to landfills, undoing decades of work to get residents and businesses to go green. (It costs about \$63 a ton to dispose of waste at a landfill.)