

## PRESS RELEASE

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*Recent BIR World Recycling Convention & Exhibition in Miami  
(1-4 June 2014)*

### **Textiles Division: Multiple pressures on textiles recyclers**

Brussels, 6 June 2014

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Harsh winter conditions in parts of the USA, which led to “a quick tightening of markets” in late February and March, left many graders “unable to obtain raw materials” and forced some plants to stop production, according to the market report delivered by Eric Stubin, Vice-President of SMART and Chair of the Council for Textile Recycling. “This general tightening seems to be on-going, with mixed rags prices ticking upward.”

For US exporters, market activity in Africa has remained strong for most of the year to date, although “a slight blip” in a few East African markets has been tied to “currency inflation north of 5%”. This has been exacerbated by regionally-weak agricultural yields and “major” competition from Chinese used clothing exporters, Mr Stubin observed during the plenary session of the BIR Textiles Division which constituted the opening part of the first-ever International Textile Recycling Summit\*.

In contrast to Mr Stubin, Mehdi Zerroug of Framimex was able to report a particularly mild winter in France, resulting in a larger-than-expected supply of originals and in stable prices rather than the normal seasonal increases. He also lamented that thefts are “threatening the sustainability of collections in certain places”.

Alan Wheeler, Director of the UK's Textile Recycling Association (TRA), suggested that the prices commanded by collectors in the key markets of Eastern Europe and Africa “are still under a great deal of pressure”. Furthermore, the decline within the UK used clothing and textile market has accelerated this year, with “numerous business closures, several hundred job losses and an overall reduction in collection capacity”.

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**BIR – REPRESENTING THE FUTURE LEADING RAW MATERIAL SUPPLIERS**

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Mr Wheeler also noted that “a spate of fires at waste processing facilities has resulted in many insurance companies pulling out of the sector”, with a number of TRA members now struggling to find anyone to insure them. “Even if they do, the premiums are rocketing up,” he observed. “This is putting ever-increasing pressure on the economic margins.”

According to the general market report from Olaf Rintsch of Textil Recycling K&A Wenkhaus GmbH of Germany, there has been a sufficient supply of originals on the market and good demand from Africa despite “difficulties with the strong Euro”. And he added: “My dream would be that recycling goods be sold at decent prices.”

Mr Rintsch’s company is playing a significant role in the development of a closed-loop clothing concept outlined at the Miami meeting. Timo Perschke explained that his business, PYUA - ECoRrect Outerwear in Germany, is looking to achieve “the perfect recycling loop” by retrieving its own ecologically-friendly sportswear products for recycling. Ultimately, the aim is to use radio-frequency identification (RFID) technology to help ensure their return.

Delegates in Miami also heard a closely-argued presentation from Alexander Gläser, Executive Secretary of Rechtsanwalt & Notar in Germany, in which he examined the threat to traditional charitable and commercial textiles recycling operations posed by his country’s 2012 circular economy act. His conclusion was that, in the long term, municipalities may make incursions into collection and, to a lesser extent, sorting whereas marketing is likely to remain the stronghold of commercial operators.

The Miami meeting also brought a change of President for the BIR Textiles Division with Olaf Rintsch stepping down in favour of Mehdi Zerroug, who praised Mr Rintsch for the “energy” he had brought to the presidency.

***\*A press release dedicated to the afternoon session of the International Textile Recycling Summit in Miami will be circulated by BIR in due course.***

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