

Dude, why won't they take back my old Dell?

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GrassRoots Recycling Network

Promoting Corporate Accountability for Waste

Computer TakeBack Campaign March 2002

End E-Waste Take it back, make it clean!

The Electronics Junkpile

The electronics revolution is about to hit the landfill, and it isn't going to be pretty. Tens of millions of computers alone become obsolete every year and less than 10% are collected for recycling. One report estimated that the current number of obsolete computers in the U.S. would cover the city of Los Angeles with a mountain 16 miles high.

Discarded electronics is one of the fastest growing waste streams in the industrialized world due to growing sales and shorter life-spans of these products. Electronic equipment is also one of the largest known sources of heavy metals, like lead and mercury, and organic pollutants in the waste stream. Without effective phase-outs of hazardous chemicals and the development of an equitable and effective collection, re-use and recycling system, our environment and public health are threatened.

Currently, the burden and expense of collecting and managing discarded electronics are borne by taxpayer-funded government programs, primarily at the local level. Brand owners and manufacturers have ignored their responsibility for the management and disposal of products at the end of their useful lives, while public policy has failed to promote producer responsibility and clean design.

Brand owners and manufacturers of personal computers and consumer electronics must take full responsibility for the life-cycle of their products. The principle of producer responsibility – also called producer take-back – shifts responsibility to brand owners and off of local governments. Take-back requirements create a powerful incentive to eliminate waste at the source and to reduce costs by designing products that are non-toxic, durable, and easy to disassemble and recycle. Companies that innovate more quickly will be more competitive than those that delay. Many personal computer manufacturers and brand owners in countries throughout Europe and Asia are already implementing take-back programs which assume full responsibility for products at the end of their useful lives; yet many of those same companies do not offer the same programs to their US customers.–

Holding Dell Accountable

Students, investors and consumers can influence corporate practices and public policy by targeting market share leaders like Dell Computer Corporation. Like most of its U.S. competitors, Dell Computer Corporation does not take back used computers from individual consumers. Through its support of industry associations, Dell opposes efforts here and abroad requiring producer responsibility and take-back.

Founded in 1984 by Michael Dell, Austin, TX-based Dell Computer Corporation is a \$32 billion a year company controlling the largest share of the U.S. personal computer market and is the leading seller of computers to institutions like colleges and universities. Dell has bucked the recent PC-industry downturn by achieving global profit increases and sales growth year after year.

Though Dell is a profit and sales leader, it is an environmental laggard. We believe that Dell's exceptional performance as a business should be matched by environmental leadership within the personal computer and consumer electronics industry. For the last two years, Dell has scored poorly on the Computer TakeBack Campaign's *Computer Report Card*. While Dell has taken some steps to reduce its use of toxic and hazardous materials, it has not adopted here in the U.S. its practice in European countries of taking back used computers from individual consumers.

For example, in 2001, Dell Europe introduced eCycle. Under the Dell eCycle Program, all equipment, regardless of brand, is collected from customers, resold, refurbished, recycled or disposed of in an environmentally friendly fashion. Yet, the company has not made the same program available to individual U.S. consumers. For customers located in Germany, Sweden, Norway, the Netherlands, Denmark and Japan, Dell has computer take back programs through which computers are reused, recycled, or disposed of, as appropriate, in accordance with prevailing environmental requirements. If Dell manages to offer these programs in so many other countries, and yet still make sufficient profit to maintain its position as a market leader year after year, then seems difficult to believe that the company could not assume similar responsibility for its share of the U.S. electronic waste problem while still achieving outstanding financial results.

Computer TakeBack Campaign in the News

"The genius of the high-tech revolution has been the ability to build newer and faster and cheaper computers every 18 months," said Ted Smith, executive director of the Silicon Valley Toxics Coalition, based in San Jose. "That has been the watchword for 20 years. But it also means that piles of obsolete computers are building up in everybody's basements, garages, and attics."

San Jose Mercury News, November 27, 2001

[GRRN's David] Wood thinks the campaign will find a receptive ear among local government officials. "For them, waste is an unfunded mandate," Wood said. "It has a great deal of attraction to constituencies that experience the issue every day."

Plastics News, December 10, 2001

In the USA, many local governments are struggling to find an answer. "Cities and towns have the most responsibility for handling the trash and the least power to compel manufacturers to deal with it," says Geoff Beckwith, a former Massachusetts state legislator and executive director of the Massachusetts Municipal Association.

USA Today, January 22, 2002

"The take-back campaign is getting the idea out to the public that what we really need to move forward is a model of manufacturer responsibility – which means that manufacturers ... have some stake in what happens with that product when it is no longer operational."

Colorado Daily, November 30, 2001

Producer Responsibility

Producer responsibility – also called "extended producer responsibility" (EPR) and more simply "producer take back" – is the radically simple principle that manufacturers of goods should have full responsibility for the life cycle of their products. Most importantly, producer responsibility policies have focused on responsibility at the end of a product's useful life, requiring the brand owners to take physical or financial responsibility for the product.

Producer responsibility has quickly transformed from an academic concept to the framework for laws in over a dozen European and Asian countries. The first comprehensive

Take it back!

producer responsibility law was Germany's landmark Packaging Ordinance, an idea that has spread across the European Union to now cover electronic goods and

automobiles. In response to these laws, manufacturers have redesigned their products – eliminating hazardous materials and designing for disassembly and recycling – and changed their ways of doing business, saving money and resources and eliminating waste.

By contrast, there are no comprehensive federal or state producer responsibility laws in the United States. Our closest examples are the bottle bills in 10 states that place a deposit on beverage containers creating an incentive for them to be recycled. In the United States the concept of "product stewardship" has emerged as an alternative to producer responsibility. "Product stewardship" proposes some system of "shared responsibility" for products at the end of their useful life, assigning roles to consumers, retailers, local governments, and manufacturers. On-going product stewardship initiatives do not fundamentally shift responsibility for waste and often leave government – and, therefore, taxpayers – footing the bill for decisions that are uniquely controlled by manufacturers and brand owners.

The Computer TakeBack Campaign believes that producer responsibility is essential to influence product design, to shift responsibility for costs, and to build the system necessary to collect and safely recycle used computers and consumer electronics.

Design for the Environment

Computers and consumer electronics are complicated assemblies involving thousands of different materials and compounds. Sitting on your desk or in use around your home, these products pose little environmental risk. But, at the end of their useful life, if these products are not disposed of properly, they pose significant threats to human health and the environment.

Producer responsibility – because it requires manufacturers to take responsibility for their products – creates a powerful incentive for brand owners to reduce their costs by designing products that are clean, safe, durable, reusable, and easy to disassemble and recycle. Companies can choose to design their products to be environmentally superior, and a small number of brands has already eliminated the use of leaded solder, mercury switches, and plastics treated with dioxin-like flame retardants.

The Computer TakeBack Campaign believes all companies can do more to eliminate the use of hazardous materials.

Make it clean!

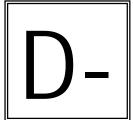
Dell Ranks Low on Environmental Report Card

The 2001 Computer Report Card released by the Computer TakeBack Campaign provides consumers, local governments, and activists with a tool to measure the environmental performance of computer companies and the equipment they sell. The 2001 Report Card reveals that U.S. companies are continuing to lag further behind their overseas competitors in clean production, health-related issues and producing environmentally superior products.

The Report Card evaluated twenty-eight name brand computer companies from the U.S., Europe and Asia, using information from company web sites on each of seventeen different criteria relating to the companies' U.S. practices in the areas of: hazardous materials; producer take back, occupational safety and health; and, ease of access to information. Once the data were compiled and analyzed, each company received information specific to it for review, comment and correction.

The Report Card reveals several troubling double standards in the global production of computers: between countries, among companies, and even within individual companies doing business in different parts of the world. Over the past year, several environmental and health initiatives with important impacts on the consumer electronics and high-tech sectors have come forth in Europe and Japan. In stark contrast, there have been no major initiatives in the U.S. Consumers in the U.S. are receiving second-class treatment from high-tech companies that think they are first class global competitors.

On the overall scores, with few exceptions, most U.S. companies scored near the bottom of the pack. Out of a possible total score of 68, IBM's score of 32 led all U.S. companies and was only slightly behind the overall leader, Canon, which scored 35. Among other leaders, Hewlett-Packard and Apple scored 26 and 25 respectively.



Among the report card laggards, Dell Computer scored a mere 16 out of 68, fairing especially poorly on measures of information access and occupational health and safety. Dell Computer has no established programs for take back of individual U.S. computers at the end of their useful life, but its so-called Asset Recovery System, which does offer take back to business customers who are returning large numbers of computers, gave the company a higher score for product stewardship. Dell Computer is also a

good example of the global double-standard mentioned above: it offers product take-back programs to individual consumers in several European countries, where it is required to do so by law, but makes no such program available to American customers

Dell Computer is a global leader in profit and sales. At the same time, however, it is an environmental laggard in the US. We believe that Dell's exceptional performance as a business should be matched by environmental leadership within the personal computer and consumer electronics industry. Consumer are urged to utilize the Report Card to evaluate companies and their products before making purchasing decisions, and to voice their concerns to companies like Dell Computer and their management for operating under global double-standards.

The Computer TakeBack Campaign's 2001 Computer Report Card can be accessed at www.svtc.org/cleancc/pubs/2001report.htm.

Tragic Consequences of the Failure to Act

A recent report from the Basel Action Network (BAN) and Silicon Valley Toxics Coalition (SVTC) titled *Exporting Harm: The High-Tech Trashing of Asia*, documented the international trade in toxic electronic waste from the United States to China, India and other Asian nations. Computer monitors, circuit boards and other electronic equipment collected in the U.S. – sometimes under the guise of "recycling" – is regularly sold for export to China where the products are handled under horrific conditions, creating tremendous environmental and human health problems. Workers, including children, use their bear hands, hammers, propane torches, and open acid baths to recover small amounts of gold, copper, lead and other valuable materials. What's left over is dumped in waterways, fields, and open trenches, or simply burned in the open air.

"Export stifles the innovation needed to actually solve the problem at its source – upstream at the point of design and manufacture."

Exporting Harm: The High-Tech Trashing of Asia, p. 3.

International trade in used consumer electronics from industrialized countries like the U.S. has been a little known secret until publication of this report. The consumer electronics industry, through their trade association, noted its shock and concern over the *Exporting Harm* report. However, the Electronics Industry Alliance has done little to promote environmentally superior practices among its members, like Dell Computer, and has actively opposed proposals requiring manufacturers and brand owners to take responsibility for the life cycle of their products. The U.S. government, too, has done almost nothing to stop toxic e-waste export. In fact, the United States is the only developed country that has not ratified the 1989 Basel Convention, an international treaty calling for an end to hazardous waste exports.

Most consumers do not know that the used computer, for instance, that they paid someone to take for "recycling" may end up in rural China. In fact, even reputable recyclers are not able to track the route followed by equipment they collected from residents or businesses. Consumers and reputable recyclers are not to blame, however, as they are simply the last steps in a system that failed long before. Manufacturers are primarily responsible for the failed system, by refusing to eliminate hazardous materials from their products or refusing to design for easy disassembly or other environmental considerations. Government policy simply perpetuates the failed system by letting manufacturers escape responsibility for products at the end of their useful life, or by encouraging hazardous e-waste export.

In the absence of effective government policies or enlightened corporate practices, the U.S. lacks the infrastructure necessary to safely recycle the country's mountain of used electronics. The cheap option is export to poorer countries. The only effective way to create an environmentally superior recycling system for used electronics here in the U.S., and the only way to stop hazardous waste export, is to require producer responsibility. Producer responsibility is a proven strategy for improving product design, creating markets for collected materials, and promoting the infrastructure necessary to maximize reuse and recycling.

Exporting Harm is available on-line from the Basel Action Network at www.ban.org.

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Frequently Asked Questions

About Dell Computer and computer take-back

Q: Dell's web site says that it takes back used computers systems when they become obsolete. Is that true?

A: Dell does have some take back programs, but they do not provide an end of life solution for computers owned by individual American consumers. Dell's Auction, Trade-up and Donation programs do help some individual consumers to get old computers out of their own closets; but they don't address the problem of what will happen to that system at the end of its useful life. Dell's Asset Recovery System ONLY takes back computers from businesses and institutional purchasers and DOES NOT accept or take back computers from individual consumers. Moreover, Dell's Asset Recovery System is not an automatic option for all businesses or institutions. If your campus or company purchases from Dell Computer, find out if their contract requires take-back and if it does not, press for changes.

Q: Dell's web site says that its computers are recyclable. Is this really true?

A: Because Dell's computers may be "recyclable" does not mean they are recycled. Clearly they are not the same thing; almost everything is recyclable but most materials in our economy are not recycled. Some parts of Dell's computers may be made from materials that can be recycled, but given the way computers and monitors are made, not to mention what is used to make them, most of them are likely not recycled. There is increasing evidence that equipment – Dell's and other companies' – intended for recycling in the U.S. is being shipped overseas for processing under horrific conditions. Some experts also question whether today's computers can be safely recycled without major design and material changes.

Q: Is it true that in some European countries Dell takes back used computers from individual consumers?

A: Yes. In several European countries, producer responsibility laws require brand owners to take back their products at the end of their useful life. Electronics industry representatives have fought these initiatives on behalf of companies like Dell. Dell's global sales continue to grow and it is safe to assume some of that growth comes from Europe, where greater corporate accountability is a fact of doing business.

Q: Are there any computer companies in the U.S. that take back used equipment from consumers? **A**. Yes. IBM and HP (Hewlett-Packard) have take back programs that require the consumer to pay an additional amount in order for the company to take the equipment back. These programs are an important start, but end-of-life surcharges may create a disincentive for consumers.

Q: What's happening in the U.S. to address the e-waste problem?

A: Lots, and we need a lot more. California and Massachusetts have banned cathode ray tubes (in monitors and TVs) from landfills; New Hampshire and Wisconsin have done so as well, but in more limited ways. Various forms of computer and take-back legislation have been offered in Massachusetts, Minnesota, California and NE, with several other states crafting proposals. Dozens of local governments across the country – 39 in Massachusetts alone – have passed resolutions calling for mandatory producer responsibility to end their burden of managing discarded electronic equipment.

Campaign Actions

The most effective ways to change corporate behavior and promote producer responsibility are through organized consumer pressure and policy reform. State and U.S. laws will have to change in order to solve the e-waste problem and protect the environment. To get there, students and consumers have a vital role to play in changing Dell Computer's practices and the practices of other electronics companies.

The Computer TakeBack Campaign was formed in 2001 to promote producer responsibility and clean production in the consumer electronics industry. The Campaign provides a forum for students, consumers, investors, local governments, and organizations to voice their concern for an appropriate, effective solution to the electronics waste issue.

Speak out, tell Dell what you think

Letters to the Editor – The Campaign has sample letters to the editor (LTEs) available for download from www.grrn.org that you can use to communicate with the public about electronic waste and the need for companies like Dell Computer to take responsibility for their products.

E-mail actions – Dell Computer's web site (<u>www.dell.com</u>) provides an e-mail feedback function through which you and hundreds of your friends can communicate with Dell about the need for producer take back and clean production.

800 call-in days – Dell Computer has toll-free customer service phone numbers consumers can call for answers to their questions about the company and their products. Organize call-in days and get folks to ask Dell about their policies and practices; local cell phone companies often donate phones to use for making the toll free calls.

Get others involved

The e-waste problem offers great opportunities for organizing, because so many people can point to the problem in their own home – old TVs and computers sitting in their attic without a good solution.

Postcarding – the Computer TakeBack Campaign has ready made postcards that you can download from www.grrn.org and get people in your community to sign, calling on Dell Computer to take back used computers from individuals and support producer responsibility. Collect post card signatures at consumer electronics stores (Best Buy, Staples, Circuit City, etc.), on campus, or at community used-computer collection events.

University policies – You might find your college, school or university shares your interest in computer take back. Colleges and universities buy a lot of computers, and Dell Computer is the market share leader for sales to educational institutions. Find out if your school or campus takes part in Dell's Asset Recovery System or what they plan to do when computers are replaced. If there is no good take back option, many schools have to pay to get rid of their old equipment.

Find out what people think

Surveys – Public opinion surveys are newsworthy, especially when they are about important topics that don't get a lot of media coverage. The Campaign has prepared a short survey you can download from www.grrn.org and use to find out what people think about computer recycling and producer responsibility. These surveys are designed to be used at community used computer recycling events, which are held in many communities throughout the year. Contact your local public works department to find out if they are doing a collection event and how you can participate.

Who we are

ecopledge.com

Every day, millions of ordinary people take small actions to make our world a bit cleaner, safer, and healthier. The impact of their actions is small, but important. By contrast, large multinational corporations, in the course of daily business, leave a much more substantial footprint on the planet. Simple changes in corporate practices and policies could have a profound impact on the health of our global environment; yet many companies have failed to take their share of responsibility to protect the planet. In response, ecopledge.com organizes students, consumers, and investors so they can exercise their substantial power in the marketplace with the purpose of persuading such companies to make the same type of simple, sensible changes in their practices that we make in our own lives. Ecopledge.com was founded in 1999 as a joint campaign of the student Public Interest Research Groups, Free the Planet!, Sierra Student Coalition and Green Corps. Its website, at www.ecopledge.com, provides information about our other current campaigns, as well as fun and interesting opportunities for action.

GrassRoots Recycling Network (GRRN)

GRRN is a North American network of recycling professionals and waste reduction activists promoting a sustainable economy through principles of Zero Waste and producer responsibility. GRRN is co-leading the national Computer TakeBack Campaign, along with Silicon Valley Toxics Coalition.

GRRN's current corporate campaigns target Coke and Pepsi for beverage container waste, Dell Computer for consumer electronics waste, and Dow Agrosciences for the persistent herbicide clopyralid that is ruining successful composting operations.

GRRN is based in Athens, GA with a satellite office in Madison, WI. Founding members of GRRN include the California Resource Recovery Association, Institute for Local Self-Reliance and the Sierra Club. GRRN's web site – www.grrn.org – offers extensive resources on waste reduction and prevention as well as opportunities for on-line activism.

Computer TakeBack Campaign

The Computer TakeBack Campaign is a new national effort promoting corporate accountability for waste and producer responsibility in the personal computer and consumer electronics industries. The Computer TakeBack Campaign grew out of a series of strategy sessions in March 2001 which resulted in the Electronics Take It Back! Platform. Information about the campaign, as well as opportunities to endorse the Take It Back! Platform, are available from www.grrn.org and www.svtc.org.

Founding members of the Computer TakeBack Campaign include: As You Sow Foundation, Clean Production Network, Clean Water Action, Communication Workers of America, ecopledge.com, GrassRoots Recycling Network, INFORM, Institute for Local Self-Reliance, Materials for the Future Foundation, Mercury Policy Project, and Silicon Valley Toxics Coalition.

This report was written by David Wood, GRRN Program Director, and Rebecca O'Malley, ecopledge.com Program Advocate, and is available on-line at www.grrn.org.