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TECHNICAL CONFERENCE APRIL 18TH - 20TH: MAKE PLANS NOW!

Spring is right around the corner and that means it’s once again time for RIPA’s Spring Technical Conference - this year scheduled for Sunday April 18th through Tuesday April 20th: in Little Rock, Arkansas. The site for this year’s event is the grand Peabody Little Rock Hotel in downtown Little Rock. RIPA has secured a fantastic room rate of $129!

The Conference will include the RIPA Product Group meetings, a Board of Directors meeting, two social receptions, a Main Technical Program with several key speakers, and a tour of the new Drumco of AR reconditioning facility in Arkadelphia (see related story on page 5). Topics on the Main Program include a look at “Comprehensive Safety Analysis 2010”, a new, nationwide approach for regulators to take in evaluating motor carriers for safety and compliance (see story page 4).

SOME PROGRESS ON ULTRASONIC LEAKPROOFNESS TESTING

An agreement reached recently between RIPA, IPANA and key U.S. DOT hazmat officials seems to have cleared the way for approval of leakproofness testing for drums using ultrasonic sensing technology.

The two associations have been working towards approval for more than four years. Demonstrations of ultrasonic sensing as applied in leakproofness testing were first made for DOT personnel in September 2005. Subsequent, more “complete” demonstrations followed in February 2007 and February 2008.

The first written submission to DOT seeking approval was made March 4, 2005, followed by a supplemental letter on April 14, 2006. A comprehensive, final application was submitted jointly by RIPA and IPANA (SSCI, PDI) on March 24, 2008.

DOT RELEASES MAJOR NEW PACKAGING REGULATION

- RIPA Appeals Remanufacturing Provisions

The Pipeline and Hazardous Materials Safety Administration (PHMSA) has issued major revisions to the packaging requirements in the U.S. Hazardous Materials Regulations (HMR). Among dozens of new requirements in “Docket HM-231” is a major change that prohibits the reuse of any remanufactured packaging for hazardous materials unless it meets the minimum thickness requirements for reuse. Current rules allow the remanufacture and reuse of, for example, a steel drum below nominal marks for minimum thickness if design type tests have been passed.

Although DOT has characterized the new rule as a “clarification” of an existing rule, RIPA believes the change constitutes a substantive and unnecessary change to the HMRs, with potentially serious environmental impacts that were not considered by the agency.
PRESIDENT’S MESSAGE

As we look forward to the coming year, it is only fitting that we look back at the year gone by. There is little doubt that few reconditioners and manufactures of industrial packagings will remember 2009 with any great fondness. Overall, revenues were down; prices were unstable; and, demand for drums and IBCs was intermittent, making planning nearly impossible. Quite a few companies limited operations to four or fewer days per week and, in some cases, were forced to lay-off staff. Unfortunately, several companies had to shut down, presumably for good.

That was the bad news.

The good news is that RIPA members across the country are reporting improved business conditions this year, which suggests that the economy may have begun a slow turn towards recovery. Even the National Association of Manufacturers (NAM) has upgraded its national economic outlook for 2010 to “hopeful.” With unemployment at 9.7% and lending to small businesses in a holding pattern, it is still far too early to think we are out of the economic stew. Still, if current economic patterns continue their upward trajectory, there is reason to be hopeful about the reconditioning business in the coming year.

As you can imagine, RIPA is not immune to changes in the economy. Because the association is dependent on dues income for about 90% of its total revenues, when the economy worsens and membership declines, we feel the pain immediately. However, I am happy to report that the association did fairly well last year. While we lost 10 members in 2009 – six Suppliers, two International, one Canadian and one Packager, we added three new members – a Reconditioner, Supplier and a Packager. Importantly, we did not lose a single U.S. reconditioner or manufacturer member, which I consider to be quite an accomplishment under the circumstances.

Just as importantly, RIPA’s two regular conferences – Technical and Annual – were better attended than any of the prior three years, and both events were economic success stories!

The strong membership retention results, coupled with our excellent meetings performance, put RIPA ahead of the financial curve last year. In fact, the association ended the year with a surplus, making it one of the few associations in this select club. Thank you to all our members for sticking with us, even in the tough times!

As we look out to the coming year, it is clear that RIPA is going to be very busy. Issues on the front burner include:

• Adoption of an amendment to the federal climate change legislation that ensures parity for the reuse and recycling industries;
• A legal appeal to DOT asking the agency to reverse its position requiring remanufactured non-bulk packagings to carry nominal minimum thickness marks;
• Modernization and simplification of the RIPA web page;
• Submission of a UN proposal on emptied IBC transport;
• Clarification of EPA’s IBC reusability requirements in agchem markets;
• Work with ASTM on packaging testing proposals and packaging sustainability standards; and development of new international standards on packaging reuse, recycling and source reduction.

As you can see, there is much work to be done, but our job is made much easier knowing that our members are supportive and always willing to roll-up their sleeves to help when help is needed.

I believe 2010 is going to be a great year for our industry and our association.

Now, let’s get to work!
Also on the program is a look back at the reconditioning industry in 2009, featuring a review of RIPA’s member survey data. More information on the program will be coming soon!

The cutoff date for room reservations is Wednesday, March 31st. Don’t wait too long! The availability of rooms after that date could be tight.

Visit the RIPA website and click on “Conferences” for more information and a registration form: www.reusablepackaging.org.

This application included analytical data demonstrating the performance capabilities of ultrasonic sensing as compared to another approved method of leak detection (submersion in water bath). The application sought an approval for the testing of 1A1, 1A2, 1H1 and 1H2 design types.

Later that month, RIPA was advised that all technical questions had been answered, and the remaining issue had to do with the larger question of associations’ role in seeking Approvals on behalf of members. When it became clear that association involvement in Approvals would affect all existing and pending Approvals, RIPA withdrew its application, and suggested individual member companies file applications on their own. Between March and July 2009, 25 member companies submitted the application.

In February 2010, the applicants began receiving letters from DOT denying their applications. The reason cited was that the 1/32-inch orifice used in checking daily that the system is functioning did not prove the system would detect leaks of smaller sizes. In response, RIPA and IPANA requested a meeting with DOT.

At this meeting it became clear that DOT was under the impression that the applicants had changed, for some reason, the proposed standard size of a “test” hole in a drum that would be used in the daily systems check. RIPA offered that while different sized “holes” had been part of earlier discussions, the applications had been consistent.

The matter was resolved when RIPA agreed to a DOT request that the applicants adopt a smaller test hole (10/1000th inch) that had been part of a discussion document separate from the applications.

For its part, DOT agreed that if the smaller test hole is not feasible, the applicants should explain this in a supplemental letter, and adopt the next smallest hole that viably could be obtained or created.

In the meantime, RIPA has located a source for nylon fittings with test holes of the size requested by DOT, which can be soldered into the sidewall of a steel drum. Indications from a RIPA member who produces ultrasonic leak testers are that such a fitting also can be made to work in a poly drum.

RIPA is aware that member companies plan to send letters to DOT amending their applications with the revised test hole specification.

The changeover to the smaller test hole is technically feasible and should clear the way for issuance of final Approvals. Significantly, however, DOT also insisted that final approval on a site-by-site basis would depend on a visit by DOT personnel to ensure that the system is within design parameters described by the applicants, and that operation of the system is as described in the applications. DOT has advised RIPA that it would visit only locations that actually were prepared to begin ultrasonic leak testing and that an adequate advance notice would be provided. RIPA will be active in defining further the scope and implications of the DOT’s visits. Many of these issues will be discussed at the Technical Conference April 18th—20th.

RIPA will report more on these issues as events unfold. Members with any questions or concerns should call the RIPA office.

GREIF BUYS FIBC PRODUCER STORSACK

According to a report carried in Hazardous Cargo Bulletin, Greif has completed the acquisition of Storsack, the world’s largest producer of flexible IBCs (FIBCs). Apparently, no details of the deal, which closed on February 15, have been released; however, it is understood that the sum paid was below $100 million. The move will allow Greif to greatly extend its product portfolio while also allowing it to sell to the more stable food and feed markets.
If you have not yet heard about **CSA 2010**, you will very soon. 

**Comprehensive Safety Analysis 2010** (CSA 2010) is a Federal Motor Carrier Safety Administration (FMCSA) initiative aimed at improving truck safety, and reducing crashes, injuries and fatalities. It introduces a new enforcement and compliance model that allows FMCSA and its state partners to contact a larger number of carriers earlier in order to address safety problems before crashes occur.

Over the past few years, the rate of crash **reduction** has slowed, prompting FMCSA to take a fresh look at the issue. The program builds on FMCSA’s current processes for assessing and improving the safety performance of motor carriers and drivers through a new “Safety Measurement System” (SMS) and a new suite of tools. A key focus of CSA 2010 will be increased scrutiny of drivers, which was identified in the Agency’s “Large Truck Crash Causation Study” as a key factor in improving highway safety.

Individual commercial motor vehicle (CMV) drivers will not be assigned safety ratings (unless they operate independently as their own carrier & have their own DOT #).

SMS will assess carriers in each of seven areas:

- Unsafe Driving (CFR Parts 392 & 397)
- Fatigued Driving (Hours-of-Service (HOS)) (CFR Parts 392 & 395)
- Driver Fitness (CFR Parts 383 & 391)
- Controlled Substances/Alcohol (CFR Parts 382 & 392)
- Vehicle Maintenance (CFR Parts 393 & 396)
- Cargo-Related (CFR Parts 392, 393, 397 & Hazardous Materials)
- Crash Indicator (Reportable Crashes)

Only violations that a driver receives while working for a carrier apply to that carrier’s SMS evaluation.

Higher SMS scores will make a carrier subject to more severe interventions. Intervention selection is influenced by: 1) safety performance, 2) **hazardous material** or passenger carrier status, 3) intervention history, and 4) investigator discretion.

A Federal or state Safety Investigator (SI) reviews a carrier’s SMS data, the specific violations that compose the SMS, and the carrier’s intervention history. The SI will discuss with the carrier how they might improve their operations so that their deficient SMS scores will improve.

Only carriers that have been identified by the new SMS as needing a warning letter will receive one in Summer 2010 as the program is launched. FMCSA envisions that public users, including shippers and insurers, will have access to SMS results very similar to the way they do today.

CSA 2010 is being beta tested in nine states at this time - Colorado, Delaware, Georgia, Kansas, Maryland, Minnesota, Missouri, Montana, and New Jersey – but is slated to be fully operational in all 50 states by the end of this year.

Come to the Technical Conference in Little Rock to learn more about this new program. We suggest you bring your fleet and/or operations manager along as well.

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RIPA is pleased to announce the receipt of an application for membership as a U.S. Reconditioner Member from:

William J. Jones & Sons, Inc.
238 Liberty Street
Camden, NJ 08104
856-963-1199
Mr. John “Terry” Williams, President
Website address: To be announced

Please direct any comments on the application for membership to RIPA before April 5, 2010.
DRUMCO OPENS NEW PLANT

At its Grand Opening ceremony on Friday, February 26th, Drumco, Inc. announced 95 new jobs at its Arkadelphia plant. Drumco, which has been in operation for over 35 years, has plant locations in Memphis and Arkadelphia. The company provides reconditioning/recycling and remanufacturing services for users of industrial packaging.

The company moved its operations from Bauxite, AR to the new location in the Clark County Industrial Park in Arkadelphia.

The Economic Development Corporation of Clark County and the Arkadelphia Regional Economic Development Alliance partnered with Drumco to host the Grand Opening announcement ceremony. The ceremony, which took place at Drumco, included addresses by state Senator Percy Malone, Cherie O'Mary, Director of the Arkansas Recycling Coalition, Dennis Long, Chairman of the Reusable Industrial Packaging Association, and company President Barry Wingard.

“The entire Drumco family is thrilled with the new plant,” said Wingard. “The new facility is a state-of-the-art drum reconditioning operation, which will provide our customers with a superior products day-in and day-out,” he noted.

RIPA members will get an opportunity to tour the new facility during the upcoming Technical Meeting, which takes place April 18th – 20th in Little Rock, AR.

ISO TO DRAFT NEW INTERNATIONAL PACKAGING STANDARDS

New international standards dealing with packaging Reuse, Source Reduction and Recycling are being developed by an international standards organization. The new standards are to be based upon existing European standards covering the same topics. Draft proposals have been circulated to interested packaging organizations, including RIPA, for comment.


RIPA will participate directly in the drafting process through its seat on the ASTM International D-10 Committee on Packaging. Association President Paul Rankin has been asked to chair the working group on “Reuse,” and will serve as the group’s liaison with ISO on this subject. In this capacity, Rankin is responsible for spearheading the development of a U.S. position on the reuse standard. Rankin is also a member of the D-10 subcommittees on Recycling and Source Reduction.

“I am honored to have been named Chair of the ASTM subcommittee dealing with packaging reuse issues,” said Rankin. “In the months ahead, I plan to work closely with committee members to craft a U.S. position that truly reflects the needs and concerns of all U.S. businesses and other interests,” he said.

In keeping with ASTM rules, Rankin may not comment on the specific provisions of the various draft standards, but he believes that a great deal of work must be done to ensure that the standards recognize differences between post-use management systems for residential, commercial and industrial packagings.

“We are in the very early stages of drafting standards, so there is plenty of time to gather input and develop a strong U.S. point of view on these matters,” said Rankin.

There are three main phases in the ISO standards development process – identification of need, determination of technical issues that are to be addressed, and approval of a draft standard. The drafting process generally takes about 18 months, and the approval process lasts from six to twelve months. A standard only becomes final when 75% of all members that vote approve the text.

There are approximately 16,000 international standards in effect, covering everything from agriculture to space vehicle engineering. “Standards, once in place, are extremely difficult to alter or revise, so it is vital that any standard that affects packaging be done properly, and take into account the needs of the industrial packaging reuse industry,” said Rankin. “RIPA’s participation on the various U.S. drafting committees will help ensure that the needs of RIPA members are fully considered at every step along the way,” he concluded.
“This rule change represents a radical departure from commonly accepted industry practices worldwide, and more than a dozen years of industry practice in the U.S.” said RIPA President Paul Rankin. “In addition to its impact on domestic reconditioners, it means that the U.S. rules will no longer be harmonized with the U.N. or any other national or international regulation on this subject,” he said.

In its appeal, RIPA notes that a drum produced in accordance with the manufacturing provisions of the HMR (Part 178), is not required to meet the minimum thicknesses for reuse since such drums are subject to all manufacturing requirements, including design type testing and annual retesting rules. New drums do not have to meet minimum thickness requirements.

Reconditioning, on the other hand, reflects the former DOT specification system of repeated use of drums of known minimum thicknesses. The minimums were based upon DOT Specification 17-series drums, and were meant to ensure safety for multiple-trip reuse.

“The reconditioning industry – in the U.S. and around the world – has been converting and rebuilding steel drums for at least forty years,” said Rankin. “Remanufacturing is a demonstrably safe practice, a fact that DOT did not even address in its justification,” he noted.

In addition, RIPA is asking the Agency to consider the potential environmental impacts of its decision. “DOT appears not to have considered that this rule could lead to the premature scrapping of many steel drums,” said Rankin. “At a time when Congress and nearly every federal agency, including DOT, is focusing on sustainability and greenhouse gas emission reduction issues, it is surprising to me that PHMSA would take an action that could increase GHG emissions and increase energy use,” he noted. For this reason, RIPA has asked DOT to include an Environmental Impact Statement in the docket on this point.

RIPA is not alone in its view that the new PHMSA rule is incorrect. The Dangerous Goods Advisory Council (DGAC) filed an Appeal of the DOT remanufacturing provision, which supports strongly RIPA’s position. DGAC said PHMSA “…missed the point…” in the association’s original comment, which was that remanufactured packaging is subject to the same rules as new packagings and, therefore, is not subject to rules meant for reconditioned packagings. In addition, DGAC said that PHMSA erred in asserting the rule is a clarification of existing rules.

Following is a list of other key issues in the rulemaking. The rule:

- Authorizes the use of electronic means to notify shippers of closure requirements. (RIPA will advise its members further on this in the near future.)
- Requires shippers to retain a copy of the closure requirements and notification for one year (365 days).
- Establishes a new requirement for closure instructions: They must “provide for a consistent and repeatable means of closure that is sufficient to ensure the packaging is closed in the same manner as it was tested.”
- Creates noteworthy new provisions for the use and reuse of “large packagings.” Large packagings are defined as packagings that “consist of an outer packaging that contains articles or inner packagings”; exceeds 450L capacity (118 gallons); and, is not larger than 3 cubic meters. Large packagings may be flexible or rigid in construction.
- Adds two new criteria for determining if an open top drum (generally aimed at pails) is “different” from the tested design type, i.e. “width of lugs” or width of “extensions in crimp/lug cover.” This is generally aimed at pails. Clarifies that an IBC can be tested with water as the filling material and allows the use of either a vertical or rotary vibration in the vibration test.

The 29-page final rule was published in the February 2, 2010 edition of the Federal Register, and was entitled “Hazardous Material: Miscellaneous Packaging Amendments” (Docket HM-231). The effective date of the rule is 1 October 2010, although voluntary compliance would be permitted on 4 March 2010.
The National Association of Manufacturers (NAM) and several other business groups have filed a petition in federal appeals court challenging the U.S. Environmental Protection Agency’s (EPA) decision to regulate greenhouse gas emissions (GHG) from stationary sources through the Clean Air Act. Among other organizations joining the NAM on the petition are the American Petroleum Institute (API), the National Petrochemical & Refiners Association (NPRA), and the National Association of Home Builders.

“We are challenging EPA’s ‘Endangerment Finding’ determination and focusing on whether they asked the right questions, sought the right information, and whether they are meeting their burden under the standards set forth in the Clean Air Act,” said John Engler, President of the National Association of Manufacturers.

“If EPA moves forward and begins regulating stationary sources for greenhouse gases, it will open the door for them to regulate everything from industrial facilities to farms to even American homes. Such a move would further complicate a permitting process that EPA is not equipped to handle, while increasing costs to the manufacturing sector.”

According to EPA, the “Endangerment Finding” and subsequent regulations will trigger new permitting requirements for more than 6 million stationary sources. These 6 million sources include 200,000 manufacturing facilities, approximately 20,000 farms, and another 200,000 other sources such as universities, schools and even American homes, impacting every aspect of the U.S. economy.

At the state level, two states, Texas and Alabama, have filed similar challenges to the EPA ruling. The states believe that the ruling is based on flawed science and would wreck the states’ economies.

"The EPA's misguided plan paints a big target on the backs of Texas agriculture and energy producers and the hundreds of thousands of Texans they employ," Gov. Rick Perry said.

The legal challenges will likely slow EPA efforts to implement nationwide controls over greenhouse gas emitters; however, the agency has no plans to retreat from its efforts to impose emission limits on the largest emitters of GHGs.

**RIPA’S MOVIN’ ON UP!**

After more than 20 years, RIPA is leaving its home in the bucolic DC suburb of Landover, MD *(pictured here with some recent snowfall).*

Landover lies on the eastern fringe of the Washington metro area. Not much of a town or city, really, Landover is more a scattering of office buildings, off-ramps and parking lots intersected by the infamous Capitol Beltway.

For most of our time here, we have been “happy” to share accommodations with a vocational school for prenatal care located on the top two floors. It always has been our special pleasure to see the throngs of boisterous, industrious “students” as they crowd into over packed elevators and clog the parking lot with swarms of cars.

And who will forget the bankruptcy attorney in the suite next door? This man works tirelessly to help poor, delinquent homeowners stay in their homes. Almost daily, we could hear through the walls his loud, angry exhortations for “clients” to cooperate and show up in court. The man is truly committed to his cause.

And then, of course, there are the little people who made the building run. There are the cleaning crews who frequently turned up with vacuum cleaners roaring well before 5:00. We assumed they just wanted to get a “jump” on their work. Which was usually good for us because after 5:00, our sodas, cookies and candies had a curious way of disappearing.

And there is Juan, the chief maintenance officer. You could always tell that the season had changed when Juan showed up in our suite to tinker with the heaters and air conditioners. Juan was always reliable, even if the machines were not. But it didn’t matter, really: we all kept space heaters and small fans pointed at our desks all year long. So we were prepared, whatever the season.

These are just a few of the things we are going to miss about our home here on Corporate Drive. See next month’s edition of “Reusable Packaging Today” for a report on RIPA’s transition to its new “crib” in sleepy, hygienic Rockville, MD.
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<th>HazMat News</th>
<th>Wine Making News</th>
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<td><strong>Closure Instruction Requirements Amended by PHMSA</strong></td>
<td><strong>HAZMAT Fines Increase</strong></td>
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<td>A long time moving target of compliance, the Pipeline and Hazardous Materials Safety Administration (PHMSA) is amending packaging requirements in the Hazardous Materials Regulations to enhance compliance flexibility, improve clarity, and reduce regulatory burdens. Specifically, they are revising several packaging related definitions; adding provisions to allow more flexibility when preparing and transmitting closure instructions, including conditions under which closure instructions may be transmitted electronically; adding a requirement for shippers to retain packaging closure instructions; incorporating new language that will allow for a practicable means of stenciling the &quot;UN&quot; symbol on packagings; and clarifying a requirement to document the methodology used when determining whether a change in packaging configuration requires retesting as a new design or may be considered a variation of a previously tested design. This final rule also incorporates requirements for construction, maintenance, and use of Large Packagings. See the rule in its entirety at <a href="http://edocket.access.gpo.gov/2010/2010-1615.htm">http://edocket.access.gpo.gov/2010/2010-1615.htm</a> — Howard Skolnik</td>
<td>The Pipeline and Hazardous Materials Safety Administration (PHMSA) published a final rule in the federal register, 74FR68701 (<a href="http://edocket.access.gpo.gov/2010/2010-1615.htm">Docket No. PHMSA-2009-0411</a>) in the December 29th Federal Register adjusting the fines for civil violations of the hazardous materials regulations (HMR). The minimum and maximum fines were increased by 10% based on increases in the Consumer Price Index (CPI-U) between 2005 and 2008. The final rule became effective on December 31st and will apply to violations that take place on or after January 1st, 2010. The new minimum fine for most HMR civil violations will be $275 (up from $250). The minimum fines for training related violations will be $495 (up from $450). The maximum fine for most HMR civil violations will be $55,000 (up from $50,000). Those violations that result in serious illness or severe injury to any person or substantial destruction of property will have a new maximum fine of $110,000 (up from $100,000). PHMSA notes that there is no economic impact on any person who complies with Federal hazardous material transportation law and the regulations, orders, special permits, and approvals issued under that law. — Howard Skolnik</td>
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<td><strong>Skolnik Wine Drums Go Across The Pond</strong></td>
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<td>The Unified Wine and Grape Symposium, held in Sacramento CA, was another very successful exhibition for the Skolnik Stainless Steel Wine Barrels. Once again, our booth generated a tremendous amount of excitement and inquiries. It was also a pleasure it was to talk to all of customers and hear the positive feedback about the usage of our barrels. A special gift that we received at the Symposium was this beautiful bottle of Pinot Noir from Joe Miller at Hillcrest Terrace Winery. After having a chance to sample the wine, I can fully understand why Joe has had so much success. Thanks, Joe, for sharing your wine and letting us know that our Stainless Wine Drums are a part of your positive achievements. With so much affirmative feedback, the stainless wine drums are taking flight as we have chosen to further expand into the global market. Our first participation in a European Wine Exhibition will be next month, March 24-28th, at Intervitis Interfructa in Stuttgart, Germany. Our booth number will be 5F70, and needless to say, we're very excited to see how our drums &quot;rack up.&quot; We will be looking to secure distributors who can help us service our international interests. Stop in and see us in Stuttgart, Booth #: 5F70. Guten tag! — Jason Snow</td>
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**SKOLNIK** is a "specialized" manufacturer of carbon steel drums and stainless steel drums for highly valued contents. From custom wine barrels to drums for hazardous materials (hazmat) and dangerous goods, we are a leader in specialty packaging.

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