

REUSABLE PACKAGING TODAY

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UPCOMING EVENTS

Chemical Packaging Committee

May 3—5, 2010
Rosemont, IL

UN Sub-committee of Experts

June 21—30, 2010
Geneva, Switzerland

RIPA Board of Directors

July 21, 2010
Chicago, IL

PPC Meeting

August 15—17, 2010
Chicago, IL

AOSD Annual Meeting

September 8—9, 2010
Fukuoka, Japan

IPANA Technical Conference

October 19—22, 2010
Ritz Carlton Orlando, FL

RIPA 2010 Annual Conference

October 20-23, 2010
Ritz Carlton Orlando, FL

MEMBERS TURN OUT FOR RIPA'S TECHNICAL CONFERENCE

Attendance was likely a record at this year's RIPA Technical Conference in Little Rock, Arkansas! One hundred and ten conferees turned out to participate in this year's event. The site of the proceedings was the grand Peabody Hotel in Little Rock's historic downtown, right on the Arkansas River.

One of the big draws was the chance to tour Drumco of Arkansas' new home in nearby Arkadelphia. The company's new home is truly impressive. A massive structure in a green, country setting. Operations were in full swing as attendees toured the plant. Barry Wingard, his family and his employees were there to guide people through the immaculate facility. Many thanks to Barry and everyone at Drumco for making this all possible!

Also, many thanks to Drumco and Buckner Barrels for hosting the kickoff reception Sunday night! Everyone had a fine time getting caught up and sharing all the latest news.

Monday featured the Product Group meetings. It was great to see so many members participate in these meetings.



Members tour Drumco of AR

.....See "Conference" page 3

RIPA APPEALS REMANUFACTURING DECISION BY DOT

RIPA has appealed a recent regulatory decision by the Pipeline and Hazardous Materials Safety Administration (PHMSA) that applied the minimum thickness requirements to remanufactured plastic and steel drums. RIPA believes the decision not a simple "clarification" as suggested by the agency, but rather cuts against the intent of the original regulations, and represents a major change to the rules. The DOT decision appeared in a "miscellaneous" regulatory docket (HM-231) that was published on February 2, 2010.

According to RIPA President Paul Rankin, "The new rule constitutes a substantive change to industry practices. It also disharmonizes U.S. regulations with their counterparts in the UN and most other nations, as well as having a potentially serious environmental impact that has not been considered."

Importantly, the Dangerous Goods Advisory Council (DGAC) has filed a parallel appeal with DOT on this issue. DGAC said, "The current minimum thickness requirements only apply to reuse and reconditioning..."

.....See "Appeals" page 4

FINAL REPORT ON SPECIAL PERMITS AND APPROVALS

- PHMSA announces new on-line application process

The Department of Transportation Inspector General (IG) has issued a final report criticizing the effectiveness of PHMSA's Special Permits and Approvals program. The IG report highlighted several key areas of major concern, including inadequate reviews of applicants' safety histories, failure to ensure applicants demonstrate an adequate level of operating safety, lack of full coordination with other governmental agencies, and failure to conduct regular compliance reviews of permit and approval holders.

The IG report, which was issued on March 4, 2010, is the result of nearly two years of investigative work by the agency watchdog, and contains 10 specific recommendations for improvement.

In response, PHMSA has taken aggressive action to clean up the SP & A program. In a February 2010 memorandum to the IG, PHMSA Administrator Cynthia Quarterman said

.....See "PHMSA" page 5

CHAIR'S MESSAGE

Wow, how time flies!

The recent meeting in Little Rock, AR was my first time presiding at a Board of Directors meeting and I feel as though I had that "deer in the headlights" look. Next meeting, I must remember to wear a baseball catchers chin-guard on one leg or the other, depending upon which side of me that Paul Rankin sits. I can see now why Calvin always winced just before he admonished the Board to move on to the next subject!

Our Board is an eclectic group of dedicated and intelligent people, all of which either own or have executive leadership roles in their respective companies. RIPA is truly fortunate to have a top quality "brain-trust" on the Board and also the "A-team" of association professionals working and guiding us through the regulatory minefield of today.

I can't imagine how our industry would survive in the modern legal and regulatory climate we operate in today without our association staff. In my opinion, RIPA is like a good insurance policy with business, educational and social benefits.

A current example of great staff support is the ongoing effort to reach out to DOT on the issue of steel drum remanufacturing. This is a very important issue to every member of the association that converts (i.e. remanufactures) drums. DOT recently finalized a rule stating that remanufactured drums are subject to minimum thickness requirements.

RIPA staff and Counsel quickly appealed the rule and provided DOT with a large amount of compelling historical information explaining how the rule was first developed in the U.S. and later in the UN, and why the current interpretation should be reconsidered. Although the jury is still out, I hope that DOT will reassess its position in light of the information RIPA provided.

Our Little Rock conference was a great success in my view. The Product Groups covered issues relevant to their respective area of interest and then presented their report to our Board of Directors.

The IBC PG established a committee to work with staff on emerging issues concerning the use of composite IBC's in the agricultural market (e.g. pesticides). The Group also set up a new committee to work on the growing use and reuse of flexible IBCs.

The Board authorized funds to update the RIPA website, which is sorely in need of a facelift. We enlisted the expert services of Howard Skolnik and Noah Flom to assist RIPA staff in evaluating the cost, scope and content of the new site. In my view, RIPA must have a top-quality site not only for member use, but also to ensure that anyone using the site gets the information they need as easily as possible.

Our new Membership Chair, Mike Stephen, reported RIPA retained all reconitioner members in 2010 and has added several new members as well. This is very encouraging news in these tough economic times. Additionally, most International and Supplier Members have stayed with the association.

Treasure Mike Bank reported we are in good financial condition and Paul and his staff must be congratulated for managing the association's finances so well in these tough economic times.

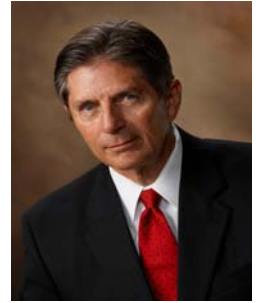
I want to say a special "thank you" to the Wingard's and Buckner families for hosting the Welcome Reception on Sunday evening. The food was wonderful and it was a good opportunity to meet new our members and catch up with old colleges too.

Lastly, it's not easy to express in just a few words what a fantastic experience it was to see Barry's new facility. I was there for Drumco's Grand Opening earlier in the year; however seeing it for the second time gave me the same excited sensation I had on my initial visit.

Some members told me it was an eye opening experience to see such a state-of-the art reconitioning line. Not forgetting it is located in what un-arguably is the Taj Mahal of facilities in the country, Barry has put in place superior technology and equipment, showing us all what can be done by a great operator to improve the quality of our products. My observation over the last 48 years in the business is that some of us have not kept pace with new technology; Barry's plant gives us all a goal to which we should aspire.

The regulatory climate in which we work demands that we reinvest in new equipment and technologies. We should all look at ways to update aged or inefficient equipment. Remember, when PHSMA knocks on your door, it is rarely for a social visit.

So, let's get moving. I see only great things ahead for this industry.



Dennis Long



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Chairman.....Dennis Long
President.....Paul Rankin
Editor.....C.L. Pettit

The Plastic Drum Product Group identified several projects, including plans to participate with IPANA's Plastic Drum Institute (PDI) in promotional efforts and certain technical and regulatory matters.

The Fiber Drum Product Group finished work on its **Code of Operating Practice**, thus making it the last of the Product Groups to complete a Code. The Fiber Drum Code will be published soon, along with all the other Codes, as part of an updated **"Responsible Packaging Management"** booklet slated for release this summer.

The Steel Drum Product Group discussed RIPA's recent appeal of a DOT rule relating to re-manufacturing. The group also discussed new provisions allowing Closure Notifications to be sent electronically. Other issues covered: speculation about nitrite rinses and reactions with drilling fluids, the occurrence of stress fractures in steel drums, experience with the "no gap" ring, and experience with tamper-evident Rule 40 bolt rings.



IBC Product Group in Session

The IBC Product Group heard updates on the issues of "cross bottling" and placarding loads of emptied IBCs. Also, there was substantial discussion of issues emerging with the increased use of composite IBCs in the agricultural chemicals market.

Following was a Plenary Session where regulatory, technical and business issues of interest to **all** Product Groups were discussed. Several Supplier Members were then given the stage for brief presentations on new products and services. It was here that members heard an explanation of recent developments in seeking approval for use of ultrasonic leak-proofness testing (reported in the February edition of **"Reusable Packaging Today"**).

Mr. Jack Grundfest (Tennebaum Recycling Group, LLC) advised members about trends in the scrap steel market. He also had some fun with attendees when he passed around several samples of scrap metals and challenged them to identify the metal and its current market price. Several savvy RIPA members were quite accurate in their guesses.



Drumco Of Arkansas Plant

Mr. Ronald Ashby (Ashby Transportation Consultants, LLC) advised attendees on a new safety initiative by the Federal Motor Carrier Safety Administration (FMCSA). Mr. Ashby discussed plans for a new system to rate carriers' safety status and how it will incorporate drivers' data, road stops and off-road investigations. He said the new program, **"Comprehensive Safety Analysis 2010"**, was in pilot stages in several states, and that a nationwide rollout was scheduled for November (though that is likely to be pushed back somewhat).



Ron Ashby

Mr. Thomas Lynch from US DOT / PHMSA's Southwest Division reported on several hazmat packaging enforcement and compliance fronts. Mr. Lynch's comments were sincerely welcomed as he showed some appreciation for the performance of packaging in the field. On this point, one RIPA member eloquently reminded Mr. Lynch that were drums and IBCs performing in the field as PHMSA's lab data suggests, the industry would have been very few customers.



Kyle Stavig, Christian Stavig, & Peter Cutt

RIPA's C.L. Pettit presented 2009 survey data for the US and Canadian reconditioning Industries. He explained how the survey data, as a sample for the industry, was extrapolated to estimate total production values for reconditioned steel, plastic and fiber drums, as well as 275-gallon and 330-gallon composite IBCs. Generally, the estimates showed a slight drop-off from 2005 levels for steel drums, just under 10%. However, the estimate for total production in reconditioned plastic drums was up somewhat. For composite IBCs, the estimates for total production were significantly up, from 900,000 in 2005 to approximately 1.5 million in 2009.

On Monday afternoon, RIPA's Board of Directors met to conduct administrative business and general oversight. Among the many issues the Board addressed was authorization for a new RIPA website. RIPA members Howard Skolnik and Noah Flom, will help with this effort.



Jack Grundfest

The Board also reviewed membership developments and overall finances, which were judged to be sound. The site for this year's Annual Conference is the Ritz Carlton in Orlando FL., and the event will again be held in conjunction with IPANA's Fall Technical Conference. RIPA's dates are October 23-25. IPANA's dates will be available soon.

The tour of the Drumco Plant was a festive and enlightening field trip on a perfect spring day! What a great way to end a memorable event.



DOT's Thomas Lynch



In addition, DGAC "questions the need to deviate from international requirements at this time, and questions the justification for doing so."

Some History

Before the U.S. converted to UN performance standards, the design of packaging for hazardous materials was prescribed by DOT specification. DOT "specification" drums had minimum gauge steel thickness requirements. These drums could be reconditioned as long as the drums were air pressure tested to minimum levels, and marks identifying the date and the reconditioner were applied. In other words, in the U.S. regulations before the UN standards, the concept of reconditioning included conversions and rebuilding, although the modern term "remanufacturing" was not used.

In a 1987 notice of proposed rulemaking, DOT began in earnest an effort to adopt UN performance packaging standards. In that notice, reconditioning was redefined to include only what is considered to be the washing process today. Minimum thicknesses for reuse and this type of reconditioning were added because the UN had no vibration, puncture, or abrasion tests. For packagings that were going to be used more than once without full retesting, the minimum thicknesses were deemed appropriate. They coincided with the minimum gauge thicknesses of the proven DOT 17 series steel drums.

In the 1987 notice, the concept of conversion was no longer considered appropriate for U.S. DOT Section 173.28 on reuse and reconditioning (washing). Conversion was deemed the creation of a new design type, and not appropriate for the reuse provisions at all, but instead required full compliance with Part 178 applicable to manufacturers.

In the meantime, the UN adopted: definitions of reconditioning, clarifications of marks, adoption of a minimum thickness permanent mark on the bottom of steel drums having a capacity in excess of 100 liters, and a definition of "remanufacturing" along the lines of the U.S. definition in HM-181, i.e., by referring such practices away from reuse and reconditioning and back to manufacturing.

The UN's basic recommendations for performance standards were implemented in a series of U.S. DOT final rules culminating in 1994. In considering all steps of steel drum reprocessing, the UN agreed that conversion of drums from a non-specification drum to a UN drum, or from one UN type to another UN type, or the replacement of integral parts (e.g., heads) only could be considered equivalent to manufacturing. Therefore, remanufacturing requires the remanufacturer to define a design type, and perform initial and periodic design type tests. Indeed, the UN Model Regulations still say that remanufactured drums is subject to "the same requirements of these Regulations that apply to a new drum of the same type."

The Issue

In its appeal, RIPA pointed out that a drum produced in accordance with Part 178, whether manufactured or remanufactured, must meet all requirements of that part. No minimum thicknesses are prescribed for either steel or plastic drums in Part 178.

A drum produced in accordance with Part 178 is marked and certified by the producer (whether manufacturer or remanufacturer) for a single use, not for repeated use, unless that manufacturer applies marks to indicate authorized reuse because the unit meets the minimum thickness requirements of Sec. 173.28.

Like a new drum, a remanufactured drum that does not meet the minimum thicknesses of Sec. 173.28 cannot be reused or reconditioned. It can be put only into non-regulated service, recycled, or remanufactured, which requires repetition of design qualification testing by a remanufacturer.

"Reconditioning," says Rankin, "reflects the previous DOT specification system of repeated use of drums of known minimum thicknesses."

Next Steps

According to Rankin, "The current rules, which authorize the remanufacture of drums of any thickness, have been in effect for about 16 years. In that time, large numbers of drums have been remanufactured and used successfully and safely in transportation. For DOT to decide in a miscellaneous rulemaking that this safe and longstanding practice is no longer authorized has a major detrimental impact on our members and the shippers who depend upon such drums."

In the appeal, RIPA also advised DOT that the new regulatory language effectively requires large numbers of drums to be scrapped. "One of the primary reasons the UN and DOT authorized reconditioning and remanufacturing was to protect the environment from premature disposal of industrial packaging still having a useful life," said Rankin. "If anything, environmental considerations are more important today than they were nearly two decades ago when the UN first took up this issue," Rankin noted.

"We believe DOT will take a hard look at this issue in the context of the two appeals filed by RIPA and DGAC," said Rankin. "We hope they will conclude that the rule change is in fact substantive, at variance with dozens of existing national, regional and international standards, and environmentally problematic."

"PHMA has addressed fully all the specific issues identified in the DOT...review of the Special Permits and Approvals Program." She noted the Agency conducted a "top-to-bottom" review of its policies and procedures, "...and implemented action plans with aggressive timeframes..." that already have improved the program.

Key IG recommendations include:

- Resolve the issues of company "fitness" and "level of safety" for existing permits issued to trade associations;
- Develop a precise definition of "fitness";
- Document more completely the level of safety proposed by applicants;
- Establish an inter-agency working group to develop a "uniform process" for coordinating special permits; and,
- Establish a National Task Force to develop standard procedures for adopting special permits and approvals into the Hazardous Materials Regulations.

A full copy of the IG report is available at:

http://www.oig.dot.gov/sites/dot/files/WEB%20FILE_PHMSA%20REPORT_issued%20March%204.pdf

On-line Application Process Announced

In an effort to expedite and streamline the processing of Special Permit and Approval applications, beginning May 1, 2010, PHMSA will launch a new on-line application process that:

- Allows application access 24 hours a day, seven days a week
- Provides immediate confirmation of an application
- Provides an instant tracking number
- Stores pre-populated fields, easing the process of filing multiple applications
- Allows attachment of supporting documentation
- Asks for required information, ensuring applications are complete.

PHMSA encourages all Special Permit and Approval applicants to use this new electronic system, in lieu of the traditional method of application submission via standard mail, e-mail, or FAX. Beginning May 1, the on-line application web link can be found <http://www.phmsa.dot.gov/hazmat/regs/sp-a>

DOT STAFF CHANGES – WHO’S ON FIRST?

In recent weeks, DOT has made several changes to key staff positions. Several of the staffing changes are permanent, while others are commonly referred to as temporary assignments. At this time, it is not clear if the temporary assignments will be made permanent.

<u>NAME</u>	<u>Title</u>
Cynthia L. Quarterman	PHMSA Administrator (permanent)
Cynthia M. Douglass	Assistant Administrator, Chief Safety Officer (permanent)
Dr. (Mr.) Magdy El-Sibaie	OHMS Associate Administrator for Hazardous Materials Safety (permanent)
Ryan Posten	OHMS Acting Deputy Associate Administrator
Ryan Paquet	Director, Special Permits and Approvals (temporary)
Duane Pfund	Director, Office of HazMat Technology (temporary)
Billy Hines	Director, Enforcement (temporary)

RIPA TO IMPROVE ON PACKAGING TEST METHODS

RIPA is working on its own and with other groups to improve on the design type test methods used in certifying packagings for hazardous materials (dangerous goods). An industry guide on test protocols would help ensure consistency and thoroughness in self-certifying design types. To these ends:

- 1) RIPA conducted a testing protocols symposium in summer 2008 at Skolnik Industries in Chicago, and published a set of ***"Findings and Recommendations"*** which were distributed to members. Contact RIPA for a copy.
- 2) ASTM (American Society of Testing Materials) also is working on the issue, led by TenE Packaging Services. RIPA is part of this review process. The group is currently close to finalizing guidance on hydrostatic pressure testing. Guidance on the other design type tests will follow.
- 3) Following up on a Steel Drum Council recommendation, RIPA and SSCI are beginning work to revise and update the SSCI testing manual.
- 4) RIPA and SSCI have agreed to take part in visits to Tobyhanna to study test protocols.

HAZMAT REGISTRATION FEE FOR "LARGE BUSINESSES" TO INCREASE DRAMATICALLY

Any U.S. business that offers for transportation, or transports, a quantity of hazardous material that ***requires placarding*** must register with the Department of Transportation (PHMSA) and pay a fee annually. Unlike shipments of emptied drums destined for reconditioning, vehicles carrying emptied IBCs with hazmat residues sent for reconditioning are to be placarded under current rules. Thus, companies transporting emptied hazmat IBCs are covered by the registration and fee program. Also, companies shipping off-site any placarded hazardous waste also pay the fee.

Registrations are due at DOT every year by July 1, and cover the period July 1 - June 30. Those companies that are already in the program receive a registration form each year in the mail directly from DOT in May.

For the annual period beginning July 1, 2010, the annual hazmat registration fee for companies qualifying as ***"large businesses"*** will increase from \$1000 to \$2600. For companies qualifying as "small businesses", the fee will remain \$275.

"Small business" determinations are made by the Small Business Administration. For reconditioners, small businesses are those with revenue of \$7 million or less. Importantly, the threshold was \$6 million or less prior to 2010. For distributors, the threshold is somewhat different: 100 or fewer employees. For steel drum manufacturers and plastic packaging manufacturers, the threshold is 500 or fewer employees.

For businesses with activities in apparently different areas (for example, reconditioning and distributing), the general rule is to pick the industrial classification (NAICS code) for the "primary activity": the activity that generates the most amount of revenue. Then compare the business to the small business standard for that code. Contact RIPA for information on the NAICS codes applicable to reconditioning and related activities.

Hazmat registrations are made on a ***company*** basis: multiple locations in the same company are covered by a single registration. (*Businesses that are separately incorporated or are subsidiaries must register themselves.*) Locations should be sent the company's registration number. These numbers can be entered on shipping papers.

If you are shipping loads with placards, or offering such loads, and are unsure whether your company is registered, you can search the database of registered companies online at:

<https://hazmatonline.phmsa.dot.gov/Services/companylookup.aspx>

If you need to register for the first time, contact RIPA for a registration form, or go online to register at:

<http://phmsa.dot.gov/hazmat/registration>

RIPA has learned of recent cases where highway enforcement personnel have cited businesses for not being registered when emptied hazmat IBCs were in shipment.

DEWITT BARRELS WINS SMALL BUSINESS AWARD

DeWitt Barrels, a 117-year old container reconditioning business located in Grand Rapids, MI, recently earned the **Michigan Family-Owned Business of the Year Award** from the U.S. Small Business Administration. The award is given annually to companies that possess outstanding business leadership qualities, are involved in their communities, and include several generations of family members in the workforce.

The Award will be given to the company in a ceremony presided over by Michigan Governor Jennifer Granholm.

"We are extremely honored to have been considered for this award, let alone having been named the Michigan winner," said company Vice President Peter DeWitt. The firm has remained in the DeWitt family for five generations, and employs 50 persons, including two generations of DeWitts.

RIPA congratulates DeWitt Barrels on this great honor.



*Jason DeWitt, Peter DeWitt II,
Mike DeWitt, and Timothy
DeWitt.*

CLIMATE CHANGE BILL NOW POLITICAL FOOTBALL

Just a few weeks ago, a bi-partisan trio of Senators – Joe Lieberman (I-Conn), John Kerry (D-MA), and Lindsay Graham (R-SC) – were putting the final touches on a new climate change/energy bill. Although details of the bill were tightly held, the group promised to unveil legislation that would open up new offshore oil drilling sites, promote increased use of nuclear energy, expand the use of solar and wind energy, and place a "reasonable" price on carbon emissions.

Now, the dream of a bi-partisan energy bill has been dashed by announcements from Democratic leaders that they intend to move first on an "immigration" bill, and get back to climate change at a later date.

This announcement prompted South Carolina Senator Lindsay Graham, who also has been involved in negotiations over immigration policy, to announce in a letter that the unexpected decision has "destroyed my confidence that there will be a serious commitment and focus to move energy legislation this year."

Senator Kerry expressed deep disappointment over the action taken by Graham. "For more than six months, Lindsey Graham, Joe Lieberman, and I have been meeting for hours each day to find a bi-partisan path forward and build an unprecedented coalition of stakeholders to pass a comprehensive climate and energy bill this year. We all believe that this year is our best and perhaps last chance for Congress to pass a comprehensive approach. We believe that we had reached an agreement and were excited to announce it, but regrettably external issues have arisen that force us to postpone this action – I hope only temporarily."

It is clear that the Democratic leadership believes that the politics of immigration reform will offer some positive momentum to Democratic candidates this fall. However, at least for now, President Obama and Senate Majority Leader Reid are talking as though it is possible to push through Congress both immigration and climate change legislation this year.

According to RIPA President Paul Rankin, "Despite this huge set-back, I believe a serious effort will be made by Senate Democrats and their allies to get a climate change bill out of the Senate this year. However, it will likely prove to be too difficult to finalize a bill this year, particularly given the political toll taken by the health care bill."

INDUSTRY NEWS

Kirkland Named President of Self Industries, Inc.

Debbie Kirkland has been named President of Self Industries, Inc. Debbie previously served as the Director of Account Management for Self. She will continue to fulfill that role and responsibility in addition to her new duties as President.

"I appreciate the trust and confidence that has been placed in me and am privileged to have the opportunity to work with such a committed and talented management team" says Kirkland.

Mike Alexander will continue to serve as President of Florida Tool, Inc., a former a subsidiary of Self Industries, Inc., which is now a "sister" company to Self Industries as a direct subsidiary of a newly formed holding company.

Separately, Dustin Kurre has been named Group Vice President and Director of Process Engineering for the holding company, and Gary Waylander has been named Group Vice President and CFO of the holding company, positioning each of them to leverage their talents by providing service, support and oversight to the operating entities, including Self Industries, Inc. and Florida Tool, Inc.

New Website for Berger Closures

As announced by its Managing Director, Mr. Richard Swart, Berger Closures (UK) Ltd has a new website: www.bergergroupeurope.com.

OPERATIONS REQUIRING SECURITY PLANS NARROWED; MANY COMMON HAZMATS, IBCS ARE EXEMPT

U.S. DOT's hazmat office and the Transportation Security Agency have together issued new rules on whether a facility handling hazmats and/or hazmat packagings must maintain a **Site Security Plan** and train employees in the functioning of that plan.

Comments from RIPA and other organizations convinced officials that security plans should be required only where there exists a real risk that particular hazmats in particular amounts would be seized and used in acts of terrorism.

Originally, security plans were required wherever hazmat shipments required placarding. Shipments of *emptied*, composite IBCs have, for several years, triggered the requirement for a security plan.

In its ruling March 9, 2010, DOT decided that, for many classes of common hazmats, the *volume* available for misuses *does* affect the risk. For certain hazmats such as explosives (Class 1) and "poison-by-inhalation" toxics (Class 6), **any** quantity of hazmat handled still will trigger requirements for security plan. However, for many common hazmats like liquid flammables (Class 3), oxidizers (Class 5), and corrosives (Class 8), the threshold is "**large bulk quantity**". A "large bulk quantity" is

"...a quantity greater than 3,000 kg (6,614 pounds) for solids or 3,000 liters (792 gallons) for liquids and gases in a single packaging such as a cargo tank motor vehicle, portable tank, tank car, or other bulk container" (emphasis added).

Significantly, Class 9 Miscellaneous Hazmats (which include EPA-designated "*hazardous wastes*" not elsewhere classified by DOT) do not trigger a security plan in any quantity—an important point for those that generate some hazardous wastes of their own.

DOT states further in its rulemaking: "*Materials for which the established threshold is 3,000 L (793 gallons) or 3,000 kg (6,614 lbs.) that are transported in an IBC or other packaging with a capacity that is below the established threshold are not subject to security planning requirements.*" (75 Fed. Reg. 10985). Thus, for many hazmats, not only are residues in emptied IBCs planning thresholds, but filled IBCs below 3000 liters also are exempt.

Officially, the new rules are effective October 1, 2010; however, authorization to adhere to these scaled-back criteria (i.e., the retirement of security plans in cases described above) commenced April 8, 2010.

For a thorough definition of the DOT Hazmat Classes, see the link here:

<http://www.dr.illinois.edu/transportationandshipping/Definitions.html>

MEMBERSHIP REPORT

RIPA is pleased to announce the formal acceptance of membership as Reconditioner Members for:

Sho-Pac, LLC (*Affiliate of Drumtech, Inc.*)
1400 South 2nd Street
St. Louis, MO 63104
Mr. Chris Shocklee, President
314-621-7201
www.sho-pac.com

William J. Jones & Sons, Inc.
238 Liberty Street
Camden, NJ 08104
Mr. John "Terry" Williams, President
856-963-1199



HazMat News

Wine Making News

Skolnik Introduces Closure Instruction Video

In our February 2010 Newsletter, we reported that 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.

By far, one of the most controversial issues with packaging instruction is the manufacturer's specific Closure Instruction for a hazardous material container. Required per CFR 178.2(c), Skolnik has created the first video explanation of how to properly close a Skolnik open head or closed head steel drum. View the video in the Resources [Click here to view the video.](#) Please note that this video, like all Closure Instructions, is manufacturer specific. In other words, this video only applies to steel drums manufactured and certified by Skolnik Industries Inc.— Howard Skolnik

Europe Responds “NO” to 100% In-Bound Container Scanning

Since its adoption in 2007, the United States legislation mandating the scanning at foreign ports of all US bound maritime containers has triggered an international debate and drawn strong reservations from the business community, national governments and security specialists worldwide. In order to contribute further to the debate the European Commission has carried out an assessment of the potential impact of the 100% scanning requirement on European trade, transport and customs security. Implementing 100% scanning would require sizable investments, increase transport costs significantly and entail massive operational losses. More importantly, such burdens to port authorities, companies and ultimately consumers worldwide would be for no proven security benefit. The European Commission will be implementing a coherent security policy based on multi-layered risk management that allows for legitimate international trade to flow smoothly. They will bring together numerous domestic measures to assess and defuse risks; and will seek to strengthen the capacity to deter attacks by coupling domestic action with enhanced international cooperation. The promotion of world-wide security standards, information exchange and mutual recognition of reliable traders are at the core of international cooperation. Read the full response from the [European Commission.](#)

— Howard Skolnik

Chilean Wine Industry Rocked By Earthquake

As most of us slept peacefully last Saturday night (February 27th, 2010), one of the worst earthquakes in history, reaching a magnitude of 8.8, toppled much of the central region of Chile. Proving to be devastating to property and life, the quake could not have come at a worse time for winemakers. As a leader in the global winemaking community, Chile was about to begin the annual harvest. Historically, Chile is prone to quakes, and since the 1960's structures have been subject to strict construction requirements to minimize earthquake damage. Last week's earthquake was the largest in since 1960, when the country suffered a 9.5 magnitude quake. The majority of the damage centered in the central to southern part of Chile and in the second largest city, Concepcion. Northern areas suffered significant damage as well. With little or no electrical power at numerous facilities, difficulties with travel and processing grapes, the bottling and shipping of this year's crop will be far from easy. While the primary rescue focus is concentrating on displaced families and reinforcing damaged structures, we wish to express our sadness to our Chilean customers and friends during this difficult time. Winemaking is a leading industry in Chile, and ultimately a rather critical component to the area's long term economic recovery!.

— Jason Snow

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Looking for ANSWERS?

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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.



HazMat News

Wine Making News

A “1A” What?!?!?!?

For those familiar with the nomenclature of United Nations (UN) markings, it is a system that does offer a significant amount of information about a packaging. However, even as a longtime DG packaging manufacturer, I still have a hard time grasping all the meanings of the various marks. To help everyone with this knowledge, we have created a tool to help explain the regulatory requirement and sequence of characters. [Interpreting UN Markings](#) is located in the Resources tab of [Skolnik.com](#) and was created to identify and explain the unique significance of each UN marking, each character and the required sequence for markings on an [Open Head Steel Drum for Liquids](#), and [Open Head Steel Drum for Solids](#), a [Closed Head Steel Drum for Liquids](#) and a [Closed Head Nitric \(Acid\) Stainless Steel Drum](#). In accordance with CFR178.503(a) plus 178.153(b) for the Nitric Drum, each marking is identified by the specific CFR reference with direct links to the actual CRF regulatory requirement. The illustrations also include the location(s) in which the marking must be applied. It is also important to note that the specific sequence is not alterable. The marking can be broken into several lines but the sequence must be as indicated. [Click here](#) to see the 4 marking examples.

..— Howard Skolnik

Trucking Company Pays Dearly for PHMSA Related Scheme

When the DOT talks about their being “too cozy” with industry, I find it hard to understand why a company would not invest in verifying that their dangerous goods are being handled in a compliant manner. Certainly, the President of this company could not imagine what was ahead as a penalty for trying to wrongly represent their compliance. The employees of JNE Trucking falsely represented to a Pipeline and Hazardous Materials Safety Administration (PHMSA) investigator that their driver had a copy of shipping papers in his possession during the shipment of hazardous materials, when in fact he did not. In assisting with this cover up, Meras emailed a fraudulent bill of lading to the PHMSA investigator indicating that the JNE driver had it in his possession at the time of shipment. As a result, on February 1, 2010, JNE Trucking Company, Inc., and Jamie Meras, President of JNE Trucking, were sentenced in U.S. District Court for the Central District of California for making false statements and fraudulent reproduction of motor carrier records. JNE Trucking was sentenced to a \$100,000 criminal fine, a \$400 special assessment, and five years probation. Meras was sentenced to a \$20,000 fine, a \$100 special assessment, and five years probation. This DOT/OIG investigation was worked jointly with the assistance of PHMSA.. — Howard Skolnik

Live from Stuttgart!

As I write this we are exhibiting at one of the largest wine industry trade shows in the world, Intervitis-Interfructa in Stuttgart Germany. With attendees from around the world, we have had guests at our booth from as far away as New Zealand, China and Chile and from as close as our home state of Illinois. Our [stainless steel wine barrels](#) with the Tri-Clover fittings have had a great showing here in Germany with interest far exceeding our expectations. As far as new products being shown at the exhibition, wine bottles with screw caps and bag-in-box technologies continue to gain attention. We are pleased with all the new friends that we have made in the industry and we look forward to our expanding position in the [stainless steel wine barrel](#) market globally .— Dean Ricker

Looking to BUY?



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