



April 9, 2010

The Honorable John Pérez  
Speaker of the Assembly  
California State Capitol Office  
P.O. Box 942849  
Sacramento, CA 94249-0046

Dear Speaker Pérez:

On behalf of the members of the Carpet and Rug Institute (CRI), I would like to convey our strong concern regarding AB 2398, Product Stewardship; Carpet.

While we understand your concerns in the area of product stewardship and recycling, the carpet industry has been working diligently to implement a successful reclamation program. Carpet America Recovery Effort (CARE) is a joint industry-government effort to increase the amount of recycling and reuse of post-consumer carpet and reduce the amount of waste carpet going to landfills. CARE was established as a result of a Memorandum of Understanding (MOU), a national agreement signed by members of the carpet industry, representatives of government agencies at the federal, state and local levels, and non-governmental organizations, California being one of the original signatories.

The mission of CARE is to facilitate the carpet industry efforts to find market-driven solutions to the diversion of post-consumer carpet from landfills.

We feel CARE's record of double digit increases in reclamation rates every year except one since the inception of CARE is something to be proud of and indicates real progress. The fact is reclamation of post-consumer carpet has increased by over 400% in the seven years of CARE's existence. There are not many industries that can match this type of growth, and we are just beginning. It is our expectation as we enter into the next stage of negotiation for a new MOU, that we will examine what we did right, what we did wrong, and refine our goals and operations. We fully expect to continue to grow in a rapid fashion.

With that said, we are the first to recognize we have not made the strides we hoped for when we entered into the MOU. This is not due to lack of effort or funding. Over \$300M has been devoted to finding solutions to the challenge of post-consumer carpet reclamation. This has been committed to by both industry and entrepreneurs in one of the most trying economic times.

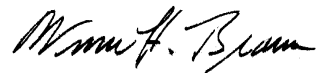
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It should be noted that sales for carpet products in California are down over 30%, and significant jobs have been lost in both manufacturing and retail in California due to the recession. AB 2398 will place additional burdens on an industry that is already under severe economic pressure and is already working voluntarily to meet this challenge. What we don't need is legislation that would potentially jeopardize manufacturing jobs in your state. As I am sure you are aware, the carpet industry is one of the few remaining American manufacturing industries and is part of the manufacturing base in California. This is the wrong time to place economic burdens on American manufacturers who are diligently working in a voluntary manner to solve this challenge.

We understand the bill will be heard by Committee in the near future. We urge you to reconsider legislating product stewardship as it pertains to carpet and encourage CalRecycle to participate in the MOU discussions about the future of carpet stewardship thus becoming an active, viable partner in continuing the success of carpet reclamation.

We would be happy to meet with you to discuss this further. For more information, please contact Frank Hurd, Vice President for Government Relations, at (706) 428-2136 or [fhurd@carpet-rug](mailto:fhurd@carpet-rug).

Sincerely,



Werner Braun  
President

