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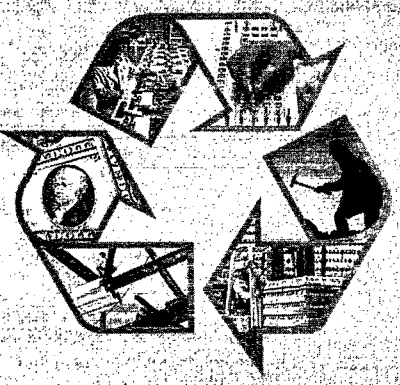

JOBS THROUGH RECYCLING

JTR Grantee Series
Ohio

Ohio was involved in a number of recycling market development activities before the U.S. Environmental Protection Agency (EPA) awarded the state a Jobs Through Recycling (JTR) grant in 1994. In 1992, the Ohio Department of Natural Resources (ODNR) established the "Recycle Ohio!" program to promote state agency recycling and purchase of recycled-content products. This program complemented the state's recycling procurement legislation and a market development grant program for businesses. In addition, the Association of Ohio Recyclers—an active, local nonprofit organization and state affiliate of the National Recycling Coalition—supported market development committees designed to assist recycled product manufacturing enterprises. Several cities and counties focused on market development issues as well. The city of Cincinnati, for example, conducted studies on secondary materials manufacturing use and capacity.

With its 1994 JTR grant, the state began actively focusing on assisting recycling businesses. To provide a focal point for recycling market development in the state, the Ohio Department of Development (ODOD) joined forces with ODNR to establish a Recycling Economic Development Advocate (REDA) position. The REDA was hired to accomplish the following goals:

- Increase recycling processing and manufacturing capacity in Ohio.
- Support the expansion and attraction of recycling and reuse businesses.
- Provide a central point of contact for the state's recycling market development programs.

During the course of the grant, the REDA helped coordinate the state's recycling market development activities by cultivating a relationship between ODNR and ODOD. That relationship continues to grow today. In addition, the REDA directed more than 60 recycling businesses to sources of financial, technical, and business assistance, which, in turn, created almost 100 jobs in the state. These businesses recycle a variety of materials generated by the residential, commercial, and industrial sectors.

At a Glance

Grant Type: REDA

Office Awarded: Ohio Department of Development

Project Partner: Ohio Department of Natural Resources

Year Awarded: 1994

Funding:
$ 75,000 in EPA funding
$ 25,000 in state funding
$ 100,000 in total funding

Contact Information:
Norman Chagnon, Ph.D.
Ohio's Thomas Edison Program
77 South High Street
P.O. Box 1001
Columbus, OH 43266-0101
Phone: 614 466-3887
Fax: 614 644-5758

OHIO Department of Natural Resources

OHIO DEPARTMENT OF DEVELOPMENT

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PROGRAM ACTIVITIES

By building on existing resources available statewide, the REDA acted as a catalyst to offer immediate, focused support to manufacturers expanding their use of secondary materials in production. The REDA provided assistance to businesses in the following three specific areas:

Business Assistance and Referrals

The primary role of the REDA was to promote existing state and local agency programs for recycling businesses and to link businesses with the appropriate programs. As a result, the grantee worked with companies in all phases of the recycling process (e.g., collectors, processors, and manufacturers), handling all types of recyclables (e.g., glass, plastic, and paper).

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The REDA helped businesses navigate through local and state permitting processes and put companies in touch with the right permitting officials. The grantee also referred businesses to state and local assistance programs, such as Ohio's Thomas Edison center. The programs provide technical assistance to Ohio's manufacturers, from troubleshooting engineering issues to conducting in-depth research and development projects.

Financial Assistance

The REDA served as the central access point for businesses seeking assistance from ODOD's grant, loan, job, and research tax credit programs. ODOD loan programs, for example, offer financing for fixed assets projects (e.g., equipment, building, construction, and land). In addition, the REDA helped businesses access ODNR's Recycling Market Development Grant Program for recycling manufacturers and processors.

Publicity and Promotion

The REDA developed a brochure, display booth, and wrote articles for trade journals and periodicals. By attending conferences and seminars sponsored by industry trade associations, solid waste management districts, local governments, chambers of commerce, and economic development organizations, the REDA formed new partnerships and reached out to recycling businesses. In addition, the REDA helped develop *Infocycle: Resource Guide for Recycling Companies*, a tool to help recycling companies find the resources they need to expand and succeed in Ohio. At least 1,000 copies of the guide were distributed to local, regional, and state agencies and organizations.

CHALLENGES OVERCOME

The REDA encountered and overcame the following obstacles:

- **The learning curve was mastered quickly.** Prior to the grant, the REDA developed recycling expertise and was familiar with state recycling grant and loan programs. The REDA also fostered relationships with other state recycling programs and service providers, which served as a key asset to the program.
- **Educating the economic development community proved challenging.** When the grant began, recycling was still a nascent activity for ODOD. Part of the REDA's challenge resided in raising awareness within the economic development community. Over the course of the grant, the REDA helped build interest in recycling within the state and showed the economic development community the value of recycling businesses. These efforts required the REDA to 'do his homework' in order to make a strong case to economic developers.

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- **Diversify program activities.** After experiencing, firsthand, the changes in market conditions for recyclable materials, the REDA learned to remain flexible. When a recovered paper demonstration project ended due to a downturn in the market, for example, the REDA focused on other commodities.

LESSONS LEARNED

The Ohio REDA offers the following advice to new grantees:

- **Prioritize business assistance.** With limited time and resources, JTR grantees must prioritize which businesses to assist. This might mean working with businesses with a high likelihood of success—such as existing companies interested in converting to or expanding their use of recovered materials.
- **Solicit customer feedback.** The grantee conducted a survey of 65 companies that received assistance through the REDA program. The grantee used this customer feedback to measure the economic and environmental impacts of the assistance provided as well as the success of the REDA project overall. The survey also asked companies to forecast revenue growth, capital investment, and recovered materials capacity and utilization.
- **Secure long-term support.** The REDA learned that the creation of a sustainable recycling market development program requires more than a single ambassador. He recommends, therefore, that other REDAs build partnerships with state and local organizations and rally companies to spearhead legislative and organizational support.

ACCOMPLISHMENTS

The REDA's accomplishments include the following:

- During the grant period, the REDA helped create a link between the state's economic development and environmental agencies, which continues to grow today. ODOD, for example, is now involved in the state's efforts to create a recycling market development plan.

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- The REDA worked with more than 60 recycling companies and organizations and helped establish public and private partnerships. These companies, in turn, created 94 jobs during the grant period. In addition, their capacity for recyclable materials grew by 135,000 tons while the capacity utilized exceeded 120,000 tons. In 1995 and 1996, these companies invested approximately $6 million to expand their recycling enterprises.

PROGRAM FUTURE

Although the state was unable to maintain the REDA program after the term of the JTR grant, ODNR has internalized recycling business assistance and both ODNR and ODOD see potential for progress in the future. Due to a lack of funding, however, ODNR and ODOD are not able to focus solely on assisting recycling businesses. Currently, there are no specific funding sources for market development in the state, other than for planning.

RESULTS

Total Number of Businesses Assisted:	**65** organizations
Full-Time Equivalents Created:	**94** jobs
Amount of Capital Invested:	**$6** million
Volume of New Capacity Created:	**135,000** tons per year
Volume of Secondary Materials Actually Used:	**121,000** tons per year

Jobs Through Recycling *Success Stories*

"The REDA was a great advocate for our reuse organization."

DUANE JAGER
Executive Director, Reuse Industries

ReUse Industries is a nonprofit organization, located in rural southeast Ohio, that works with two solid waste districts and numerous individuals and businesses to salvage appliances, electronics, building materials, computers, and other reusable items. The company then refurbishes the items and resells them for much less than their original price.

RE USE INDUSTRIES

ReUse Industries was established in the fall of 1995 with a dual mission: to reduce waste through refurbishing and reselling reusable items and to provide economic development opportunities by training local low-income residents to repair and resell the items they collect. ReUse Industries is helping to develop a sustainable local economy by reducing and reusing waste collected locally. When a product is purchased from ReUse Industries, 100 percent of each dollar stays in the local economy.

In 1995, ReUse Industries met with the REDA and brainstormed how the organization could overcome the many barriers that exist for reuse organizations, such as tapping into funding sources that traditionally only support recycling activities. The REDA served as an advocate for the organization, and reuse programs in general, at the state and local levels. Specifically, the REDA provided ReUse Industries with information on available grants from ODOD and ODNR.

The REDA also helped ReUse Industries find new markets for its collected items, including providing contact information concerning export markets for refurbished items that ReUse Industries could not sell locally. As a result, the organization explored overseas markets for 200 used desks it received from Ohio University.

All told, ReUse Industries' efforts result in the diversion of 250 tons of waste per year from local landfills. The company continues to look for new and innovative uses for its refurbished products.

Partners

- **Small Business Development Centers (SBDCs)**—These centers, located at chambers of commerce, universities, and other educational and economic development organizations, offer free counseling, business planning, development, training, and other specialized support services to small businesses. SBDCs worked jointly with the REDA to provide assistance to recycling businesses.
- **Manufacturing Extension Centers (MECs)**—Striving to increase the competitive advantage of Ohio's manufacturing industries, these centers provide technical assistance to small manufacturers and technology-driven companies. The REDA's association with MECs helped ODNR develop a working relationship with the centers.
- **Solid Waste Management Districts (SWMDs)**—The state of Ohio is divided into 52 SWMDs to manage its local solid waste programs. These districts served as a key link to residential and commercial sources that supply recyclable materials. The grantee helped raise awareness about the state's programs through meetings and by attending expositions and conferences.