

# RIPA takes it easy

**CONFERENCE REPORT** RIPA and IPANA held their annual meetings alongside each other last year, giving attendees a chance to discuss all aspects of industrial packaging. *Paul W Rankin*, RIPA president, reports on how the industry is getting itself through some tough trading times

The Reusable Industrial Packaging Association (RIPA) held its 68th Annual Meeting in the Ritz-Carlton Hotel in the magical City of New Orleans, Louisiana this past October. According to outgoing RIPA Chair Calvin Lee, "The meeting was one of the best we've had in years! The turnout was much higher than anticipated, the program was superb, and the members really enjoyed all that the City of New Orleans had to offer."

One of the most interesting aspects of the meeting was the fact that it was purposefully scheduled to coincide with the Fall Conference of the Industrial Packaging Alliance of North America (IPANA). Although both groups held separate meetings during much of the four-day event, the two groups jointly sponsored several evening social events and the main business programme, which featured a wide range of superb speakers addressing topics as varied as the economy and the business uses of social networking tools.

Throughout the meeting, nearly 200 attendees from both organisations enjoyed numerous opportunities for networking, including the annual RIPA Suppliers Exhibition. This year, a record 14 companies set up display booths at the meeting.

## All the product groups

Following a lively 'Early Arrival' reception sponsored by IPANA on Wednesday evening, RIPA's four Product Groups - representing reconditioners and producers of steel, plastics and fibre drums, as well as intermediate bulk containers (IBCs) - met on Thursday to discuss work items and review technical, legislative and regulatory issues. RIPA created the Product Groups nine years ago to ensure that issues of specific interest to reconditioners and manufacturers of different types of reusable industrial packaging could be discussed in detail.

Plastic Drum Product Group chair **Mike Chorpash**, of National Container Group, led a discussion of trends in the industry, including an overview of new and recycled resin market conditions. "Plastic drum reconditioners saw inventories of raw drums drop significantly during the past few years in part because the high cost of resin drove increased demand for recycled resin obtained from drums," Mike said. "However, as the price of oil fell during the past year, greater numbers of raw drums began flowing



Packaging professionals made some new friends in New Orleans

into the market, easing somewhat our concerns over raw drum availability."

Fiber Drum Product Group vice-chair **Tim O'Bryan**, from O'Bryan Barrel Company, Inc, led a fascinating discussion about container manufacturing and testing. Fibre drum reconditioners see increasing demand for these drums in the marketplace and are working to expand reuse opportunities for the industry. "During the past few years, the market for reconditioned fibre drums has been expanding because customers view our products as a safe and cost-effective alternative to other available industrial containers," said Tim.

Steel drum reconditioners and manufacturers held interesting discussion about a variety of topics, including a new generation of chime sealants now on the market, efforts by third-party test labs to standardise design type test protocols and procedures, and a new US Department of Transportation (DOT) procedure for conducting design tests on the production site. Product Group chair **Howard Skolnik** of Skolnik Industries said, "The association is very interested in working with DOT and third-party labs in an effort to improve the overall test performance of steel drums and, by extension, all non-bulk packaging." In fact, members of RIPA and IPANA met with DOT officials several times during the previous 18-months to discuss testing issues. "Packaging testing is a very difficult issue to deal with because

no two tests are ever exactly the same," Howard said. "However, RIPA believes there are areas of common ground to be found in the testing field, and everyone - testers, regulators and producers - should be working to identify these areas and, by so doing, fostering continuous improvement of testing practices and, hopefully, outcomes."

## Good news for IBCs

The IBC Product Group, chaired by **Peter Cutt** of IMACC Corp, shouldered the heaviest workload. "Composite IBCs seem to be the hot container these days," said Peter. "Not only is the composite IBC growing in use worldwide, regulatory issues related to its use and reuse are being scrutinised by international regulatory bodies like the UN, as well as national governments all over the world."

The Group reviewed decisions made by the UN Sub-committee of experts on the transport of dangerous goods dealing with composite IBC reuse. Peter described two important changes that could impact the industry starting in 2011. At that time, a new definition of composite IBC repair will appear in the UN model regulations limiting inner receptacle replacement to those "conforming to the original design type from the same manufacturer". In addition, manufacturers will be required to place two additional marks on IBC inner receptacles showing the code designating the IBC type and a letter indicating the applicable Packing Group. These new marks



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must be applied in addition to existing marks showing the date of manufacture, the country authorising the mark and the identification of the producer.

The International Confederation of Container Reconditioners (ICCR) opposed the revised definition of repair, but not the inner bottle marking provision. Both amendments must be implemented by national governments in order to take effect.

The Product Group also discussed the issue of placarding transport vehicles carrying IBCs that have been fully emptied, but which contain a small amount of residue. RIPA, working in conjunction with a national shipper association, has asked DOT to revise the current requirement to be consistent with the UN model regulations and RID/ADR. According to RIPA president **Paul Rankin**, "IBCs have always been defined in the US Hazardous Materials Regulations as 'bulk' containers and, therefore, regulated – incorrectly in our view – in the same manner as tank trucks and rail tank cars. This is not the case in the UN or RID/ADR, both of which do not define IBCs as bulk containers." Rankin believes that because the US rule was derived from standards written originally for portable tanks the existing US definition is an historic anomaly. "IBCs are clearly more like non-bulk packagings than, for example, rail tank cars, and the regulatory requirements applicable to their transport from emptier to reprocessor should reflect this fact," he believes.

## Greenhouse gas initiative

During the Product Group plenary session, Paul Rankin and RIPA's legislative counsel **Brian Fitzgerald** provided members with an update on federal climate change legislation now being

written by the US Congress. The Senate bill (S. 2729) contains provisions that would use funds derived from emission allowances and/or offset credits to promote recycling activities because of their beneficial impact on reducing greenhouse gas emissions. RIPA is advocating changes to this amendment that would put reuse and recycling on a level playing field.

According to Rankin, "RIPA is certainly not opposed to recycling, since virtually all industrial packagings that can no longer be reused for their intended purpose are recycled. However, we believe it is bad policy for the US government to provide federal funds to promote recycling rather than reuse of industrial packagings. Such a policy would inevitably lead to the premature scrapping of reusable industrial packagings, thereby reducing the number of packagings reused and eliminating the significant greenhouse gas and energy savings associated with reuse."

Using data from a study comparing the environmental benefits of multi-trip and single-trip steel drums<sup>1</sup>, RIPA has been able to convince a coalition of Senators, including the sponsor of the recycling amendment, Senator Thomas Carper (D-DE), to address reuse and recycling similarly in the climate change bill.

"The Franklin study shows that the reuse of industrial packagings saves tens of millions of tonnes of greenhouse gases annually in the US, and significantly more globally," said Rankin. "At a time when companies throughout the world are focusing on ways to limit their carbon footprint, it is clear to us and to many policy-makers that the reuse of products like industrial packagings offer real, measurable and consistent opportunities to save GHG emissions," he noted.

## Business programme results

On Friday, both RIPA and IPANA members attended the jointly sponsored business programme, which got off to a ringing start with a motivational presentation by Dave Sherman, president of Dave Sherman Speaks, Inc. He exhorted attendees to use the meeting as a unique opportunity to meet and learn from their industry counterparts. "Members of both associations should actively engage one another at this meeting," said Sherman. "At lunch today, turn your name tags around and sit next to someone you don't know," he suggested. "Share something about yourself to start a dialogue, and I promise you'll be surprised how much you'll learn in just a few minutes of conversation with someone you have never met before."

**Dr Jürgen Bruder**, general secretary of the International Confederation of Plastics Packaging Manufacturers (ICPP), spoke on the topic, *Issues 1. Life Cycle Inventory of Single-Trip and Multi-Trip Steel Drum Systems in the U.S., Europe, and Japan, Franklin Associates, January 1999.*

*Affecting the International Plastics Drum and IBC Industry.* Jürgen presented new statistics on worldwide plastics drum and composite IBC production. ICPP estimates that the total world market for plastics drums is about 63m to 65m units; of these about 48m to 50m are new and the remaining 15m are sold by reconditioners. The association believes that between 11.9m 12.5m composite IBCs are sold globally. About 8.75m units are new, and the remaining 3.45m are reconditioned.

Jürgen advised that the future market for plastics drums and composite IBCs is difficult to predict, although his members do see signs that the world economy may be stabilising. "As economic conditions worldwide improve," said Jürgen, "demand for industrial packagings made from plastics are expected to rise."

Jürgen cautioned that since resin used to manufacture plastics packagings is made from petroleum, and given that oil prices tend to rise in good economic times, "It would not be surprising if the price of new resin rises in the months ahead."

**Pat McCormick**, managing partner of World Steel Dynamics, presented the most up-to-date data possible on world raw steel and scrap markets. Pat noted that the recent fall in the price of steel produced in China is pushing down global raw steel prices. "Chinese steel mills have two choices," said Pat, "cut export prices further or cut production." He believes the mills are likely to select the lower pricing option to keep employment up.

Interestingly, Pat predicted that 2010 will be a good year for ferrous scrap. "WSD is raising its 2010 scrap price forecast," he said. "Based on our expectation that global steel production will rise, we believe the price of scrap could increase by as much as 10 per cent over current levels in the coming year."

## Embrace the future

**Sherry Heyl**, chief strategy officer at Concept Hub, Inc, talked about the many ways to use new 'social media' in business. Social media is a generic term covering a range of new electronic media products, such as FaceBook and Twitter. Many businesses are embracing these new technologies in an effort to stay in almost continuous contact with customers, Sherry said. "However," she warned, "there are downsides to using these products, which some large companies have learned the hard way." For example, it is easy to make critical transmission errors, and one does run the risk of being perceived as a pest, she said. "And please don't forget that everything you send electronically leaves a digital trail that is discoverable," she noted. Despite these problems, Sherry believes that businesses will, over time, embrace one or more of the new digital communication technologies. However, businesses will have to do so carefully and implement strict guidelines for their use.

"These technologies are just too powerful to remain unused by business," she concluded.

**Larry Anderson** of Ten-E Packaging Services described ongoing work by a group of US-based packaging test laboratories to standardise industrial packaging test methods. Working under the auspices of an ASTM International committee, Larry said the lab representatives are hoping to find areas of agreement on testing practices. He said that the testing provisions in both the UN Model Regulations and US Hazardous Materials Regulations are written in general terms to allow for national variations and practices. "It would be nearly impossible to create a national or an international standard covering all aspects of packaging testing," he said. "There are wide variations in testing equipment, practice and procedure throughout the world, and most test professionals believe these modest differences are not a bad thing." That point being made, Larry does believe that efforts should continue to identify areas of commonality in testing in hopes of continually improving the both the conduct of tests and the reporting of test results.

#### Farewell Mr Chairman

"Despite the recession, this Annual Conference proved to be one of the most successful and well attended RIPA meetings in years," said RIPA chair **Calvin Lee** in his remarks to members. "For 68 years RIPA has been the voice of the North American container reconditioning industry, and we are still going strong," he noted. "I am honored to have been able to serve RIPA for the past two years. RIPA is an outstanding organisation that fully represents its members, and keeps its eyes firmly focused on the future."

RIPA members thanked the outgoing chair for two years of outstanding leadership. In his remarks, RIPA president Paul Rankin called Lee "a quiet yet inspirational leader, who was able to steer the association through tough economic times while at the same time improving the organisation's service and outreach capabilities." Rankin presented Lee with special gifts of gratitude provided by association members.

That evening, Conference delegates gathered for a reception honoring former RIPA chair Richard Rubin, winner of the 2009 Morris Hershson Award of Merit. Richard is a third generation reconditioner, and one of only two association members whose father also won the Hershson Award.

#### New year, new officers

On Saturday, the RIPA Board of Directors met and elected new officers for the 2010-2011 biennium. The incoming chair is Dennis Long, general manager of Indianapolis Drum Service. Dennis, who has served as secretary of RIPA, has been a part of a family reconditioning business for

47 years, starting in. He was a pioneer in both the plastics drum and IBC reconditioning industry, having designed and constructed the first plastic drum reconditioning plant in North America in the 1970s.

Spencer Walker (National Container Group) was elected vice-chair; Mike Bank (Natural Bridge Station) was elected treasurer; and Joe Wirth (Twin City Container) repaced Dennis Long as secretary.

## RIPA honours Rubin with Hershson award



The 2009 Morris Hershson Award of Merit was bestowed on Richard Rubin, president of Maxi Container, Inc. on October 30, 2009 during the RIPA Annual Conference, which was held in New Orleans, Louisiana. Rubin is the 20th recipient of the Award.

Rubin is a third generation RIPA member whose grandfather, Charles Rubin, founded Auto City Cooperage in the early 1900s after moving to Detroit from Pittsburgh. Rick's father, Max Rubin, founded National Drum and Barrel Company in 1949 and later opened Maxi Container, Inc. in 1980. Max Rubin was the third recipient of the Morris Hershson Award of Merit.

Rick, a lawyer, has been active in RIPA for more than 17 years. In that time, he has served as a member of the Board of Directors and Executive Committee, Chair of the By-Laws and Ethics Committee, as well as vice-chair and chair of the association. In addition, Rick served on two long-term planning committees whose recommendations resulted in significant and positive administrative changes to the association.

After joining the management of Maxi Container in 1992, Rick modernised the company's management of through the use of technology and by embracing recycling and environmental management. Maxi Container was one of the first members to have a website and allow for electronic commerce.

In his acceptance speech, Rubin reminisced about the trajectory of the industry during the past century. He reminded members that many of their predecessors were immigrants who started with nothing and gradually expanded their wooden barrel reconditioning businesses until today they handle a wide range of industrial packagings.

He thanked Morris Hershson, for whom the award is named, for initiating a process of international engagement in the late 1960s that today finds RIPA holding a place of global respect for the work its members do as stewards of the environment. "Mr Hershson realised long ago that RIPA members perform a necessary service that is not only economically beneficial, but also necessary for environmental protection. He saw the environmental value provided by our companies as we collect the end product of an industrial system - the used container - clean it in an environmentally sustainable manner, recertify it for safety, and return it to the market for reuse," Rubin said.

"Just as importantly, Morris Hershson did much to ensure that our association was offered a seat at the table whenever and wherever decisions about the use and reuse of industrial containers were being made," he noted. "RIPA and our colleagues in the International Confederation of Container Reconditioners now hold conventions and symposiums all over the world and our leaders are highly respected by regulators, legislators, customers and competitors. I am proud to be a reconditioner, and proud to be a member of RIPA," concluded Rubin.

Rick and his wife Gail have two children, Joshua and Michelle, and reside in Farmington Hills, Michigan, USA.