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Selling Solder Dross

What to do:

- Establish an internal control procedure to carefully WEIGH each solder dross accumulation prior to shipment. (Retain the weight information for payment reference purposes)
- When payment is received, divide the dollar amount on the recycler's check or credit statement by your shipment weight for the **real price** per pound. (Do not use recycler's recovered weight to make the calculation.)

The Payment Clarified:

As long as solder dross was weighed prior to shipment, and you divide the dollar amount on the recycler's check by the weight shipped, you can accurately calculate the recycler's payment, **for instance**;

1. Do not calculate the payment price per pound using the 70% to 85% metal recovery shown on the recycling statement, divide dollars returned by weight shipped for the real price per pound.

Note: Why do they advise 70% to 85%? The metal recovery should be in 90% range!

2. Do not calculate the payment price using the artificially low metal recovery (70% to 85%) and refining charges (\$0.25 – 0.35/lb.) shown on the recycler's statement - divide dollars returned by weight shipped.

Note: Their metal recovery and refining charge is irrelevant, remember – **dollars returned divided by weight shipped = the real payment.**

INTRODUCTION

After reviewing the “Selling Solder Dross” recommendations, you will understand how to calculate the actual solder dross payment. In addition to payment, two other issues impact the strength of your recycling program, customer services and environmental compliance.

Does your recycler/product vendor:

- pay on time?
- purchase other recyclables?
- provide independent emission test information on their pollution abatement controls?

Unfortunately, these valuable services are often overlooked within the product vendor / recycler business relationship.

OVERVIEW

The solder product vendor typically presents their company as a convenient source for recycling services. It’s logical to assume the product vendor can provide a worthwhile service after all, a relationship already exists and you know them! Surprisingly, the product customer’s oversight into recycling payments, services, items recycled and environmental are somehow secondary in importance to the “product supplier relationship”. The result –

1. Recycling payments which are non-competitive.
2. Services such as timely settlements, credits, and replacement containers are provided only after numerous requests.
3. The level of environmental documentation provided is an irrelevant plant operating permit, with no independent/state certified emission test information on pollution abatement controls!
4. A low metal recovery may result in inaccurate lead weight reporting for EPA required Form R.

PRODUCT VENDOR RECYCLING PROGRAM FEEDBACK

The customer comments we hear are quite surprising – Have you experienced any of the following?

- Customer (A) - Advised they received a solder dross payment after the initial shipment, but nothing for later shipments!
- Customer (B) - Shipped <1,000 lbs. of solder dross, the product vendor sent **no recycling payment** only a document stating Environmental Disposal Fee!
- Customer (C) - Shipped solder dross to the product vendor and was supposed to receive a dross credit – after thorough review, they learned credits were never received!

- Customer (D) - Their product vendor issues **ONLY CREDITS** for solder dross, – No Payments! (In this scenario, you must buy more product to realize the dross value!) What if you need cash to buy something other than solder products?
- Customer (E) - Advises, in lieu of a recycling check for the value of solder dross, the Product Supplier sends a Certificate of Recycling with **No Payment!**
- Customer (F) The calamity Scenario – accounting receives the recyclers check for the dollar per/lb. quoted but was paid **Net Recovered Metals**. Accounting confirms the quoted price per/lb. with purchasing but for some reason has **no cross reference to the actual weight shipped**, only the recovered weight on the Product Vendors statement. If this happens – do you understand what’s wrong? (See “Selling Solder Dross” – most important.)
- Customer (G) - Advises the Product Vendor’s solder dross refining charge is only \$0.25 to \$0.35/lb. . . . much lower than Electrum’s! **It’s Reality Check Time** – the actual cost to provide environmental compliance, melt solder dross, pay freight from your facility, provide collection pails ranges from \$0.50/lb. to \$1.20/lb. depending on distance and quantity shipped. (Low Tin/Lead recoveries even with low refining charges = Low Payments) The unfortunate fact - the package customer is in the majority of cases the Product Vendor’s **best/most profitable** client! (Are you?)
- Customer (H) - Advises the Product Vendor intimidates purchasing personnel by threatening to raise product pricing if they ship solder dross elsewhere for recycling. This threat usually works because the Vendor knows engineering is generally too busy to qualify a new product source. This is a dilemma - if a competitive analysis of bar solder pricing and solder dross payments is made, the customer can usually realize a significant financial improvement, retain their customer status and not be held hostage by the product supplier.

THE ENVIRONMENTAL

While solder product manufacturers will always buy and recycle dross, it is not their primary business or specialty --- It is Electrum’s --- Environmentally, we have been emission tested and approved by EPA. This level of compliance dramatically reduces generator risk to Superfund --- We have not heard of one product manufacturer that has been emission tested and approved by EPA. Remember, the generator is responsible for proper handling of dross from cradle to grave! We can provide the customer with excellent environmental credentials. Further, our recycling settlement is a professional presentation with clear breakdown of tin and lead contained, useful for annual Form R filing.

RECYCLING SERVICES

- Our recycling settlements are prompt,
 - Net 30 days for solder scrap and base metals
 - Net 45 for Precious Metals
- Our collection pail returns are automatic after receipt of your material – within 2 to 3 working days.
- All pickup requests are responded to promptly and in a very professional manner, generally completed by the day after your call.
- We buy and recycle the majority of precious and base metal items generated at PC assembly and PC board manufacturing facilities.
- We recycle SMT materials and residues.
- We are happy to assist you with your annual Form R reporting.

CONCLUSION

We ask you to consider a trial shipment to Electrum for an “apples to apples” comparison with the competition -- OR – provide us with items, your weights and the dates of previous shipment(s), we will research metal markets and submit our pricing.

- **Remember** – ALWAYS weigh material before making a recycling shipment.
- **Remember** – make sure Purchasing/Accounting, EHS, and Management all understand “Selling Solder Dross”, and are provided weight shipped information.
- **Remember** – handle solder product purchases and recycling sales as two separate business transactions.