

ARA Calls on 'New' GM to Continue Partnership in ELVS Program

GM's Withdrawal Could Jeopardize Program & Environment

MANASSAS, Va., Aug. 13 /PRNewswire/ -- The Car Allowance Rebate System (CARS) program has been deemed a huge success for the automotive industry with over 700,000 trade-ins marked for automotive recycling facilities across the United States. With the trade-ins come environmental recycling challenges involving toxic waste for the professional automotive recycler. Automotive recyclers have successfully overcome these challenges with their willingness to participate in solutions that lessen the impact on the environment. One such solution is the removal of mercury switches, which are in more than 36 million older cars as convenience lights, half of which are in vehicles built before 2000 by the General Motor Corporation (GM). The CARS program mandates that convenient light mercury switches and other hazardous substances be removed before the vehicles are shredded. If these are not removed, toxic waste is released into the environment to the severe detriment to vegetation and sea life, and ultimately humans.

Therefore, it comes as a surprise and disappointment to the Automotive Recyclers Association (ARA) that GM, the largest contributor to the End of Life Vehicle Solutions Corporation program (ELVS), is choosing to ignore their environmental responsibilities by opting out of a program which is responsible for collecting over 2.5 million mercury switches since it was created in 2005. ELVS was formed by the automakers to help them address their mercury switch responsibility. Without the support of the program, automotive recyclers would find it difficult to participate in this voluntary system of mercury switch disposal.

"We, as well as others, are greatly concerned that a company that is both 60 percent owned by the federal government, and is a significant recipient of the benefits from the now \$3 billion CARS ('cash for clunkers') program, is being allowed to turn its back on a commitment to a very important environmental program set up by the government's own U.S. Environmental Protection Agency," adds ARA Executive Vice President Michael Wilson. "This further highlights the need to find a stable funding source for the National Vehicle Mercury Switch Recovery Program (NVMSRP), if the mercury from these convenient light switches is to be kept out of the environment."

GM's decision is based on their claim that its "new" company no longer makes vehicles with mercury switches and therefore is not responsible for the older vehicles made by the prior GM. The old company, still under bankruptcy court supervision, said it is reviewing agreements involving the former company.

"Auto recyclers did not make the vehicles with mercury switches," states Wilson, "but our industry has stepped up in record numbers to participate in this voluntary program to help protect the environment. The nominal fee per mercury switch that automotive recyclers receive hardly reimburses them for their time and effort spent removing them. The ARA is troubled by the 'new' GM's decision in this matter. It's shameful to hide behind logistics to avoid responsibility. This comes on the heels of news from the NVMSRP that the incentive fund has been depleted, and this makes it all the more difficult to incentivize automotive recyclers to voluntarily remove these switches."

The ELVS program is scheduled to run until 2017 and has recovered nearly 5,600 pounds of mercury. GM, prior to its bankruptcy, was the group's largest participant and informed the partnership of the change last week.

Since 1943, the Automotive Recyclers Association ("ARA") has represented over 4,500 auto recycling facilities in the United States and fourteen other countries around the world. To learn more about the Association, visit ARA online at www.a-r-a.org or call (703) 385-1001.