

# Recycling Markets

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An Interview With Joel Litman:

## PSI Veteran Leads The Way For Chapter

by Anna Dutko Rowley

**I**t's been a challenging year so far for Joel Litman. Besides dealing with the cyclical ups and downs of the paper recycling business, Litman is busy wrapping up his first year as President of the Paper Stock Chapter (PSI) of the Institute of Scrap Recycling Industries (ISRI), a position once held by his father Stan Litman from 1994 to 1996. Litman is currently President of Dallas, Texas based Texas Recycling/Surplus, a scrap fiber processor. I recently interviewed Litman on his plans for the Paper Stock Industries Chapter and for his company.



**RM:** How have you seen the PSI chapter change since you became involved in the association?

**Litman:** When I became involved in the association in the early 1980s, the industry was male-dominated and had many more family-owned-and-operated businesses. You didn't see many people in their 20s or 30s at the gatherings, very few women attended, and workshops and meetings rarely contained the content as they do today.

As businesses have become more sophisticated, so has our chapter, through communication, diversity and consolidation. When my father Stan was PSI president in the mid-1990s, telephones and fax

machines were the key communication tools. Today, with everyone using cell phones, smart phones, tablets and the Internet, the pace of seeking and gathering information is much faster.

The constants throughout the years continue to be networking, continuing discussions and revisions on the specifications and membership. Safety and operations also have become more important topics among our members.

**RM:** What goals do you have for the PSI Chapter during your Presidency?

**Litman:** I made a few resolutions when I began my term as president that were in line with ISRI's marketing campaign entitled "Be More." They include communication to our chapter members, potential members and friends of the chapter. We're using emails to regularly reach our target audiences and PSI even has its own Facebook page (be sure to "like" us).

And we want to reach out to our members to discover what needs to be done to get them more engaged, what programs interest them, and what additional value can we provide.

**RM:** What differentiates Texas Recycling/Surplus from your competitors?

**Litman:** Since we opened our doors 20 years ago, we've stressed quality in all facets of our business. Whether this relates to the service we provide our customers, to the bales we produce, to how we answer the phone, to how we communicate with our

suppliers, consumers and vendors; this is what we preach. We're nimble and move quickly. We're consistently striving each day to be the best for our constituency.

**RM:** *World scrap fiber demand is expected to reach more than 240 million tons in 2014. How do you see the United States meeting its domestic, as well as foreign demand for scrap fiber?*

**Litman:** Many dynamics are causing the arrows of supply and demand to go in opposite directions. These include: 1) the growth in electronics; 2) the maturity of the printed word with ink on paper; 3) the abundance and costs of collection programs in place; 4) the costs to gather the higher hanging fruit; and 5) the lower quality of the collected recycled fiber. Add to the mix the consolidation of paper mills for some grades and opening of new mills for other grades, and the business becomes even more complex. If mills can economically, efficiently and effectively handle lower quality material, more material could be recovered from landfills.

As the economy improves, more paper will be generated through packaging, printing, etc., though not with the dynamics of past economic recoveries since the electronic word is so dominant. It's always going to be a cat-and-mouse game. And the public has to buy products made from recycled products.

**RM:** *What are your projections overall for the scrap fiber market this year?*

**Litman:** There will always be sellers and buyers. Economics, politics and weather will continue to determine the balance between those two dynamics.

**RM:** *What issues do you see facing the recycling industry that need to be addressed?*

**Litman:** Dwindling supply of fiber, capacity and consolidation of processors and consumers, safety in the industry, how to be a low-cost provider and maintain a quality product, finding new end products for yet-to-be-collected materials that continue to go to the landfill, government intervention with flow control and solid waste definitions, other industries creeping into the recycling business.

**RM:** *In face of these and other challenges, what keeps you personally in this business?*

**Litman:** I stay in the business because my window of opportunity to compete in the 2016 Olympics has closed. Actually, I like the diversity of the business from our customer base to the grades and commodities we handle to the consumers we see locally, nationally and around the world to being involved in PSI and ISRI. The positive environmental impact made by our industry plus the no-coat-and-tie dress code increases the appeal. Another great benefit is that I get to work alongside my brother Craig, my daughter Hillary and the terrific people at our company.