

## *Representing The Wiping Materials, Recycled Clothing, New Textile By Products and Fiber Industries*

### In My Opinion



#### **Predictions and Forecasts**

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I remember in the mid-seventies I was fascinated by a *Time Magazine* cover story which, in short, stated that due to stunning technological developments soon to come, the overriding concern for the coming decades would be how to spend our leisure time.”

Instead, technology led to a faster more competitive world with less and less time for leisure and many more working hours for many of us. How many of us are in bed at night with our blackberries still conducting business before sleep sets in?

It is sometimes difficult to strategically plan one’s business due to the difficulties of predicting future trends. For example, in April, I wrote an article call “boxed in” in which scrap dealers complained that, while sold out, they couldn’t perform because of a shortage of export containers. The container shortage was caused by a weaker dollar and weaker economy which slowed demand for imports resulting in the attendant decrease in containers coming to North America.

Recently, in the New York Times Business section, it was written that starting last October, the value of recycling commodities “fell off a cliff,” the value of recyclables decreasing by as much as 50 to 70%. And we all notice that not only is export equipment available, but that freight rates, both domestic and export, have come down dramatically.

Our industry involves used clothing as a recyclable. As we know, the prices for the wiping and industrial component of our commodity have been dramatically affected by the world economic condition. However, for various reasons, including the decrease of donations in a weak economy, the price of “mixed rags” has remained somewhat stable. Demand for second hand clothing worldwide, while not as strong as a year ago, has far from collapsed.

All of this led me to last summer when Bank of America invited me to hear an economist, Anirban Basu, CEO of the sage policy group. At first, I was less than excited about attending. But the lecture was provocative and the speaker witty and engaging. I left feeling upbeat and enlightened about where the economy was heading. Particularly interesting for me, were forecasts for the dollar and for exports in general.

Several months ago, I recommended Anirban Basu to be the general membership meeting speaker for our July annual convention in Toronto. Recent world economic changes and upheavals have left us all wondering where our industry might be headed. Graders, exporters and importers will wonder about the forecast for the dollar. Wiper dealers and fiber manufacturers will be interested to know prospects for industrial revival, when that recovery might occur as well as what industries are most likely to emerge to fuel our new economy.

I was happy to learn, therefore, that the convention committee is in negotiations with Mr. Anirbar Basu to make a presentation during our upcoming convention this July in Toronto. In these uncertain but fascinating times, I, for one, really look forward to another round with Mr. Anirbar Basu.