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Electronic Waste

Environmental Advocates Accuses Recycler In Chicago of Illegal E-Waste Export to Asia

n environmental justice group focusing on toxic electronic waste Oct. 22 amplified its accusations against suburban Chicago-based Intercon Solutions Inc., presenting new evidence in a report that the now-defunct electronic recycler allegedly exported more than 150 shipping containers of contraband "ewaste" to Asian ports.

The new accusations come just days after a federal judge in Chicago tossed a defamation lawsuit brought by Intercon against the environmental justice group, the Seattle-based Basel Action Network (BAN) (Intercon Solutions, Inc. v. Basel Action Network, N.D. Ill., No. 1:12-cv-06814, dismissal, 10/9/15).

Jim Puckett, executive director of BAN, said the latest report focusing on Intercon and the collapse of the federal defamation lawsuit demonstrate that the company operated as "a complete con."

"The picture painted of Intercon by the evidence we have collected, was of a company engaged in a massive con game," Puckett said. "While claiming they never exported or used landfills, they did so regularly, without concern for where the hazardous e-waste ended up. We blew the whistle on them in 2011 and that caused many of their customers to do their own due diligence and slowly realize we were right."

Brian Brundage, Intercon chief executive officer, said Intercon shareholders are in the process of closing the business after 10 years of operation in Chicago Heights, Ill. Brundage accused Puckett and BAN of generating an environment that made continued operation impossible. He asserted Intercon had valid grounds for recovery in the defamation suit, but the action had to be withdrawn because the company was facing a financial crisis

"The shareholders are in the process of closing the business," Brundage said in a phone interview Oct. 23. "Between the original lawsuit and losing customers in 2011 and legal fees and this that and the other, it got to the point where it was tough to make hay. By no means was Intercon shut down because we did something wrong. That's not the case at all."

U.S. District Court Judge Virginia Kendall of the Northern District of Illinois dismissed with prejudice Oct. 9 Intercon's defamation action. Intercon filed a lawsuit in 2012 shortly after BAN issued a report showing the recycler had allegedly exported electronic scrap to Hong Kong, contradicting claims that it never exported or land-filled hazardous e-waste. BAN also barred Intercon from its e-stewards certification program, which establishes and validates standards for responsible e-waste recycling.

Evidence Developed. Puckett said BAN developed evidence of Intercon's e-waste dumping practices as part of its defense in the defamation suit. With the dismissal of the action, he said the organization decided to publish its findings in a report entitled "Intercon Solutions: A Record of Deception and Dumping."

With shipping information supplied by whistleblowers, BAN said it was able to document Intercon allegedly exporting more than 150 containers of e-waste to ports in Asia between February 2010 and August 2011.

"While all destinations were port cities in Asia, most (136) were sent to Hong Kong, with 16 going to ports in China and 14 going to Haiphong, Vietnam," the report states. "The content for all the containers was pretty consistent and included descriptions such as waste, scrap, office supplies, metal scrap, butryal foam, and plastic. Several containers had other contents listed including 'meat of bovine animals.'"

BAN Suggests a Probe. Puckett said Intercon's conduct raises important legal questions, which should be examined by state, federal and foreign authorities. While the U.S. is not a signatory to the Basel Convention controlling international movement of hazardous waste, Puckett said China and Vietnam are signatories. In addition, the Environmental Protection Agency enforces rules focusing on the proper disposal of cathode ray tubes, which were part of Intercon's waste stream. Moreover, Puckett said Intercon's conduct should be examined by the State of Illinois, which provided \$430,000 in economic development grants to the company.

"Intercon has never registered with EPA. So if they were sending any cathode ray tubes, which I caught them sending into Hong Kong, it would be illegal under U.S. law," Puckett told Bloomberg BNA in an interview. "Otherwise, all of this shipment of electronic waste would be illegal under Chinese law."

Brundage denied BAN's latest report and accused Puckett of launching a "witch hunt" to promote his organization's certification standard.

"We never shipped anything that would be considered e-waste," Brundage said. "For a guy to create a witch hunt to promote his brand of certification and hurt another guy's brand of certification—that's just not proper business."

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BAN's report on Intercon Solutions can be found at http://files.ctctcdn.com/245ab2b9301/59a465bb-463b-46a5-b14b-06c88e0c515e.pdf. The stipulation for dismissal can be found at http://src.bna.com/Jj.

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