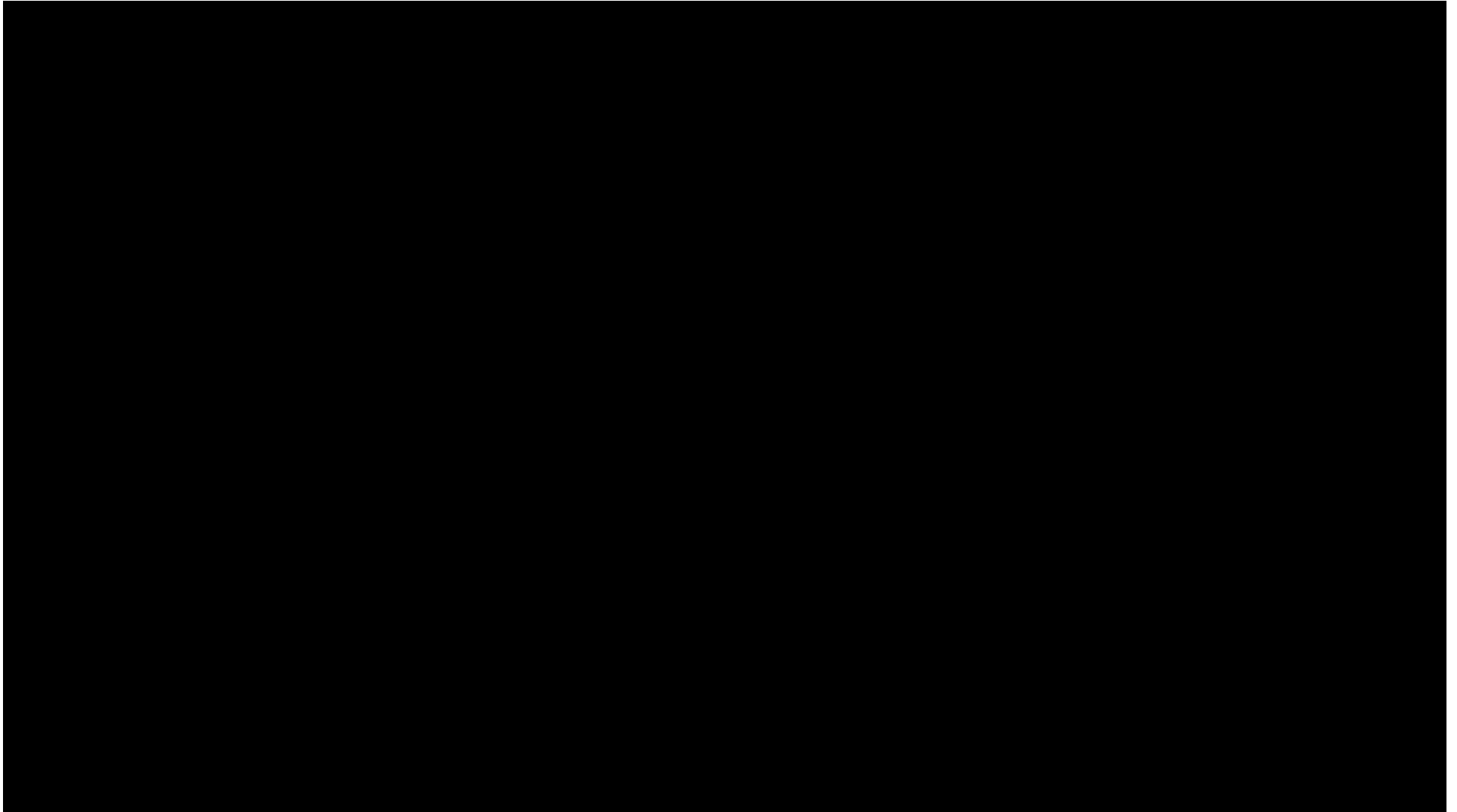




Remanufacturing

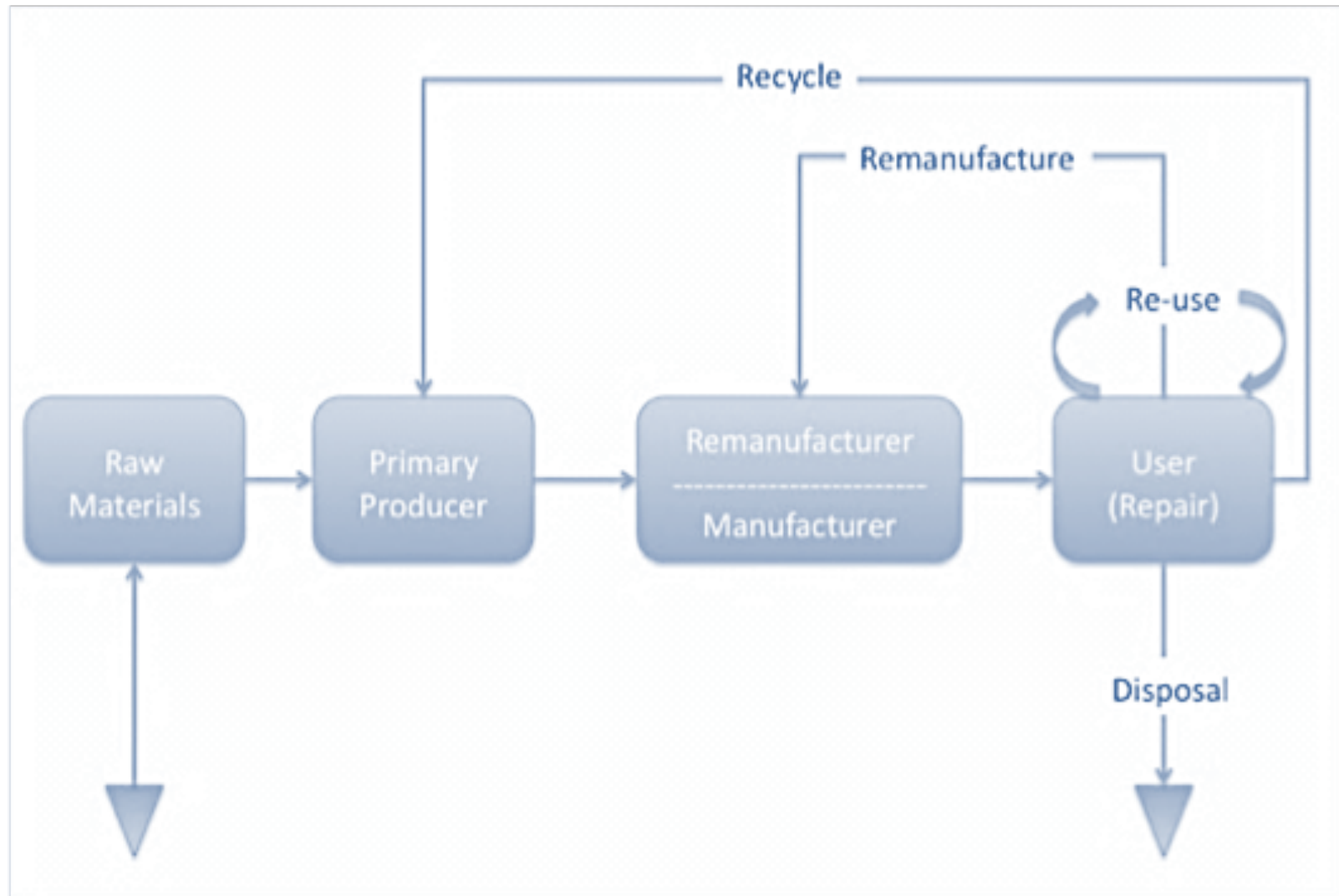
April 18th 2012

What is Remanufacturing?



<http://www.youtube.com/watch?v=2XZIQOFLjXU&feature=relmfu>

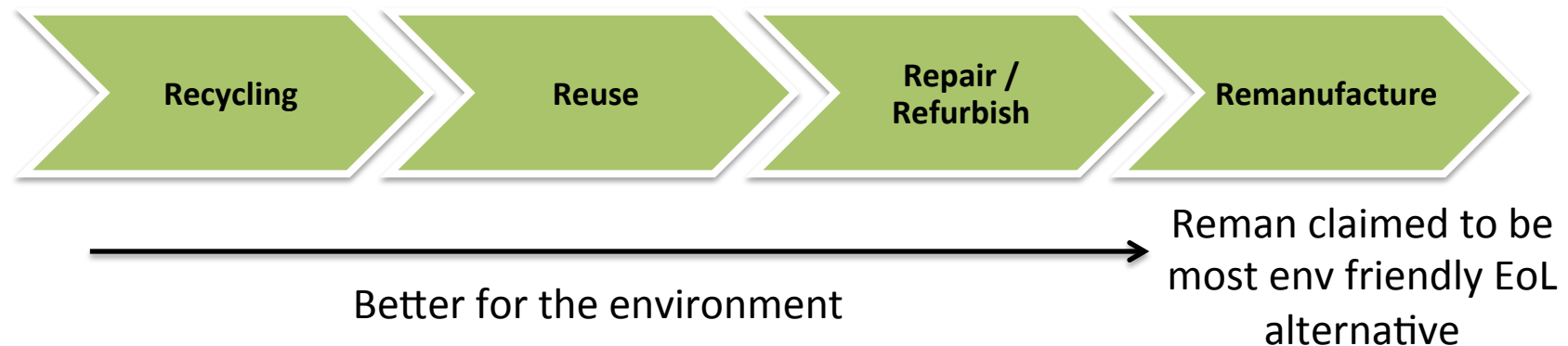
What is Remanufacturing?



What is Remanufacturing?

Remanufacturing is the process of product recovery (refurbishing) to a 'like-new' condition

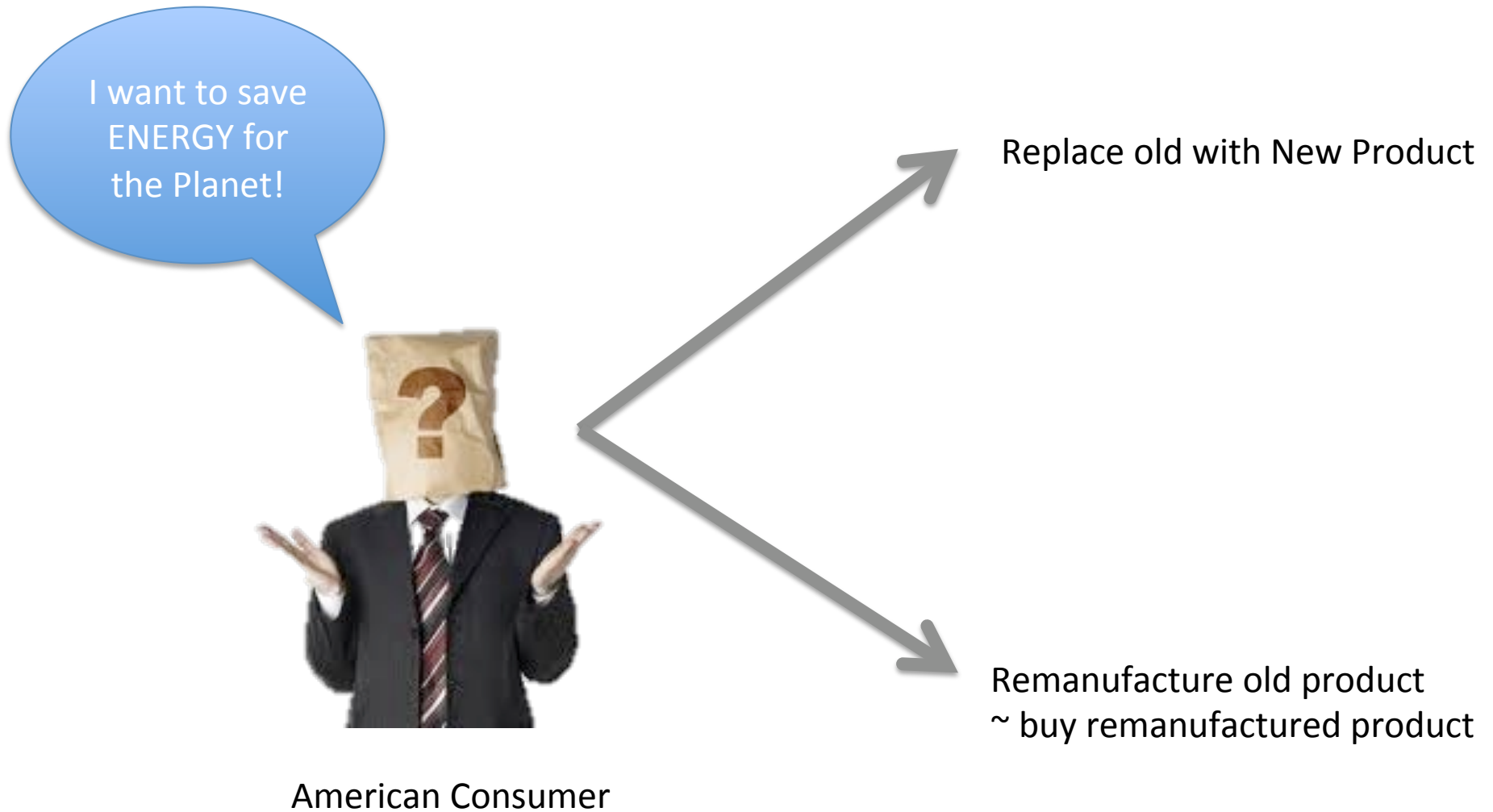
- Product expected to perform like it did when it was first produced
- Saves materials, avoids material processing and manufacturing of the product



Requirements for Remanufacturing

1. Retired products (called core) have significant residual value
 - E.g. working cell phone replaced after 2 years
2. The remanufacturing firm can effectively capture the core
 - E.g. Dell and Apple laptop collection system
3. The captured core can be restored to like-new condition
 - Scrapping rates can vary from 10-90%

Consumer Scenario



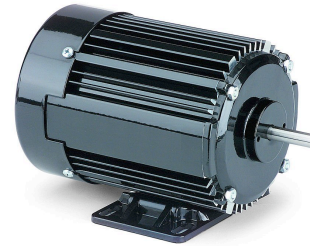
Products in Consideration



Engines
(Remanufacture)



Office Furniture
(Reuse)



Electric Motors
(Rewind)



Tires
(Retreading)



Cartridges
(Refill)



Monitor
(Reuse)



Appliances (3)
(Reuse)



Personal Computers
(Reuse)

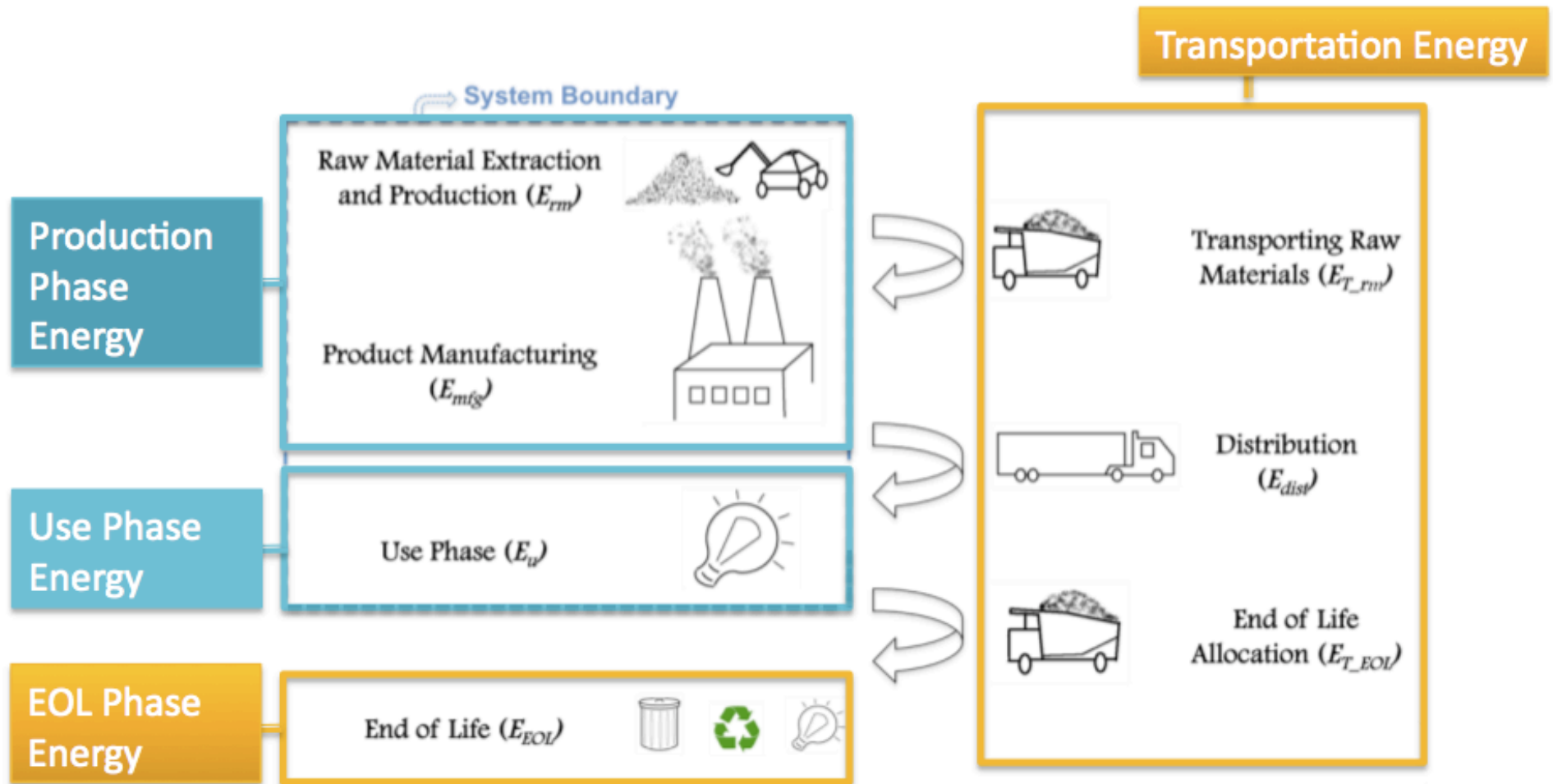
Remanufacture or New

What would you choose to save energy?

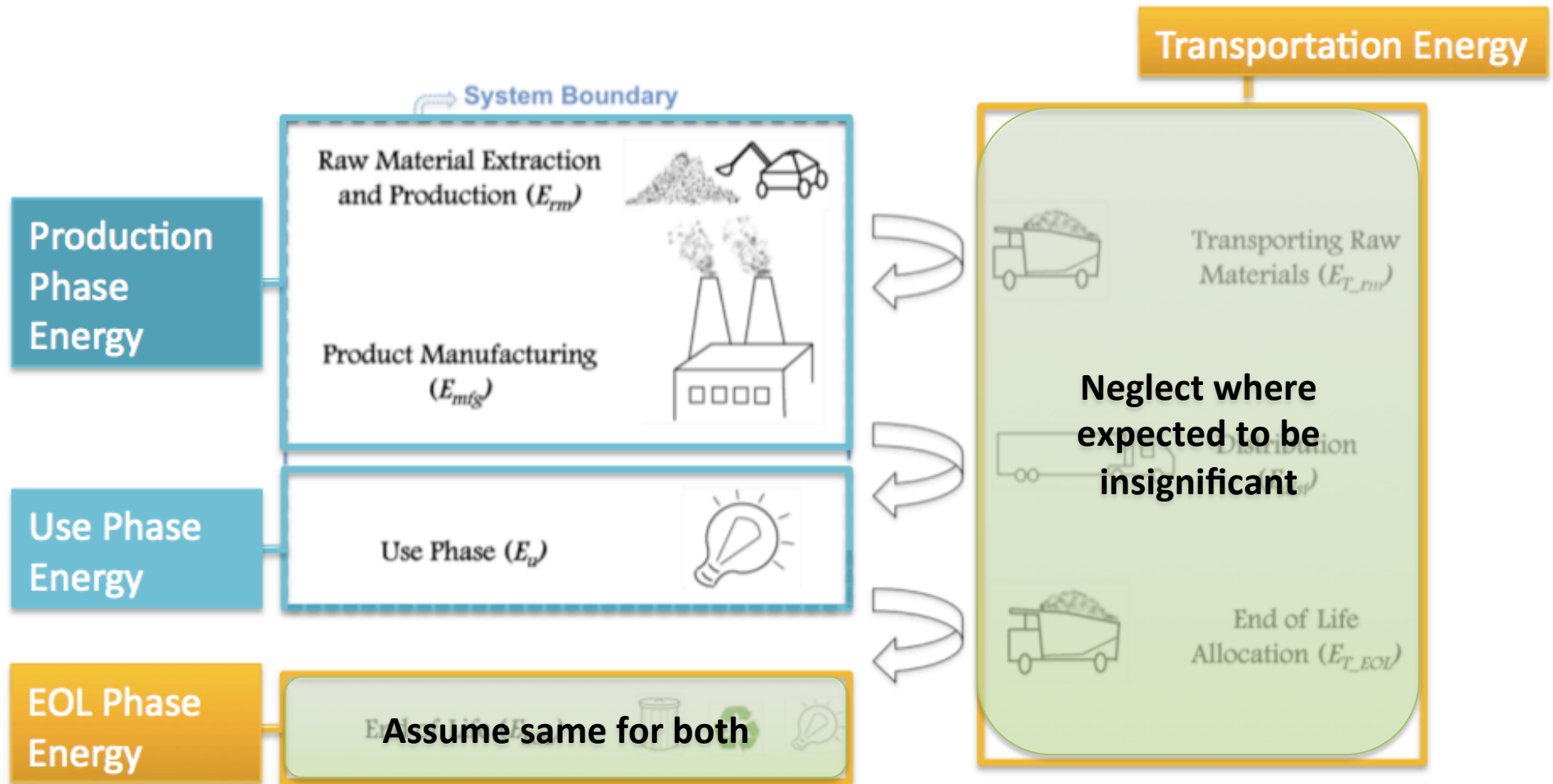
a) Remanufacture

b) Replace with New

Construct the system boundary



Construct the system boundary



Furniture



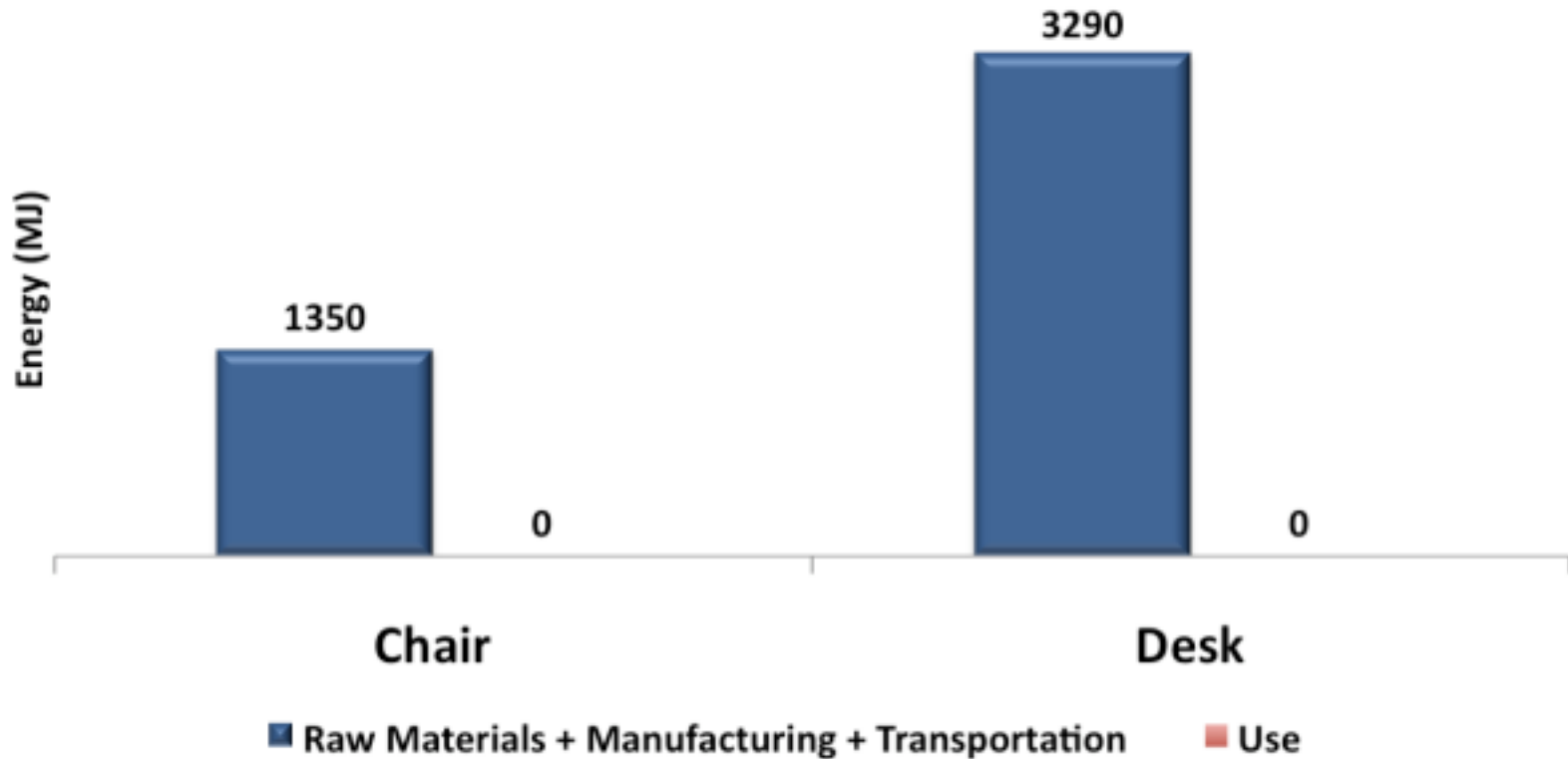
Furniture - BoM

Siento Chair		
Material	Weights (lbs)	Weight (Kgs)
Steel	32.3	14.65
Plastic	14.6	6.62
Non-ferrous metals	13.4	6.07
Leather	2.6	1.17
Other	1.7	0.77
Total	64.6	29.30

Garland Desk		
Material	Weights (lbs)	Weight (Kgs)
Particleboard	159.3	72.25
Steel	52.9	23.99
Plywood	40.2	18.23
Cherry	8.6	3.90
Otherwood/paper	3.1	1.40
Addhesives and finishes	1.9	0.86
backing material	1.6	0.72
plastics	1.5	0.68
Total	269.1	122.06

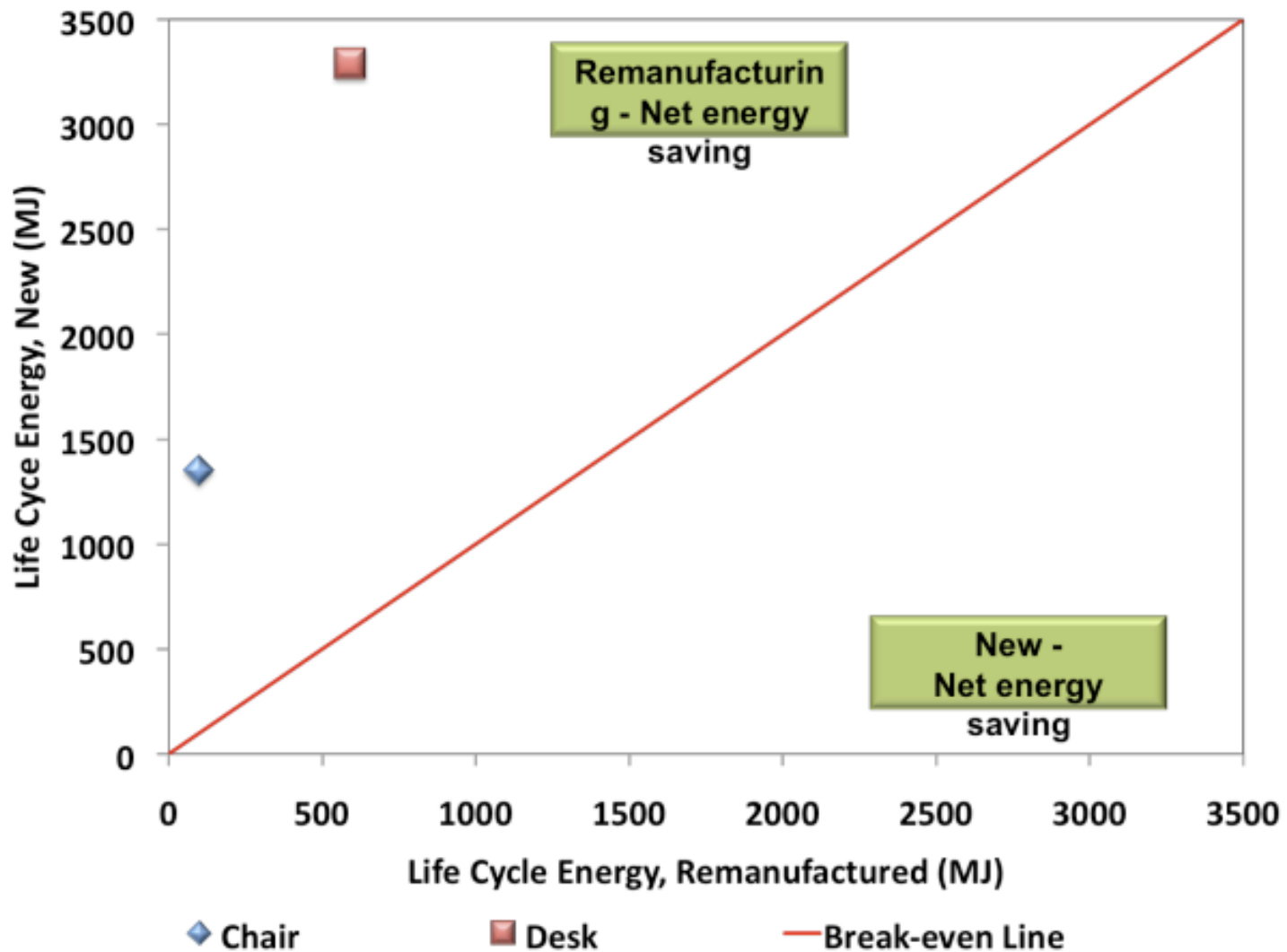


Furniture CED



Use phase maintenance not considered since assumed to cancel out between the two options

Furniture – New or remanufactured?



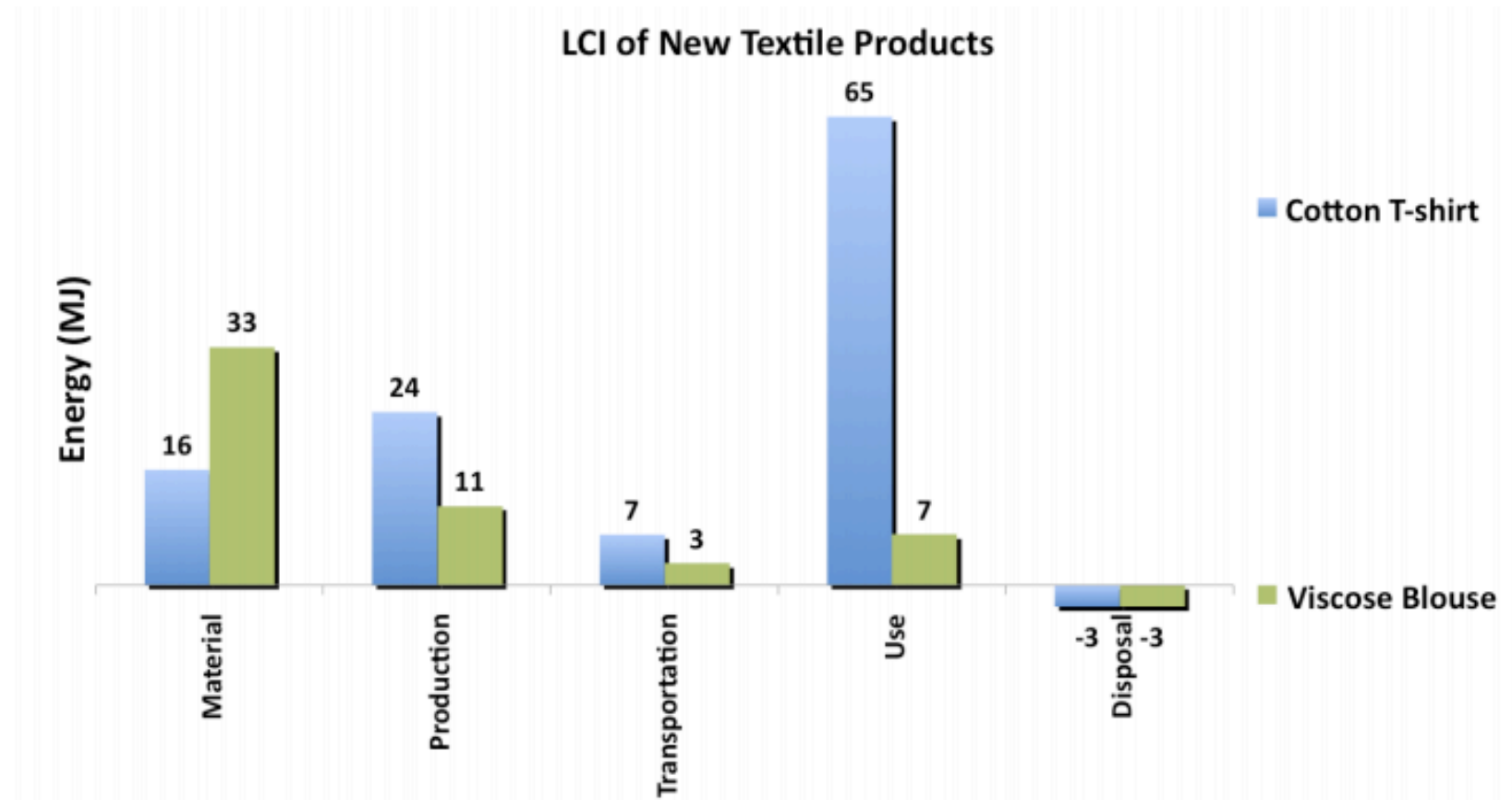
Textiles

Textile EoL Management UK in 2004/5	'000 tonnes	'000 tonnes	% of New Consumption
Apparent consumption of new textiles	1,812		97%
Imports of used textiles	12		1%
Consumption of used textiles	41		2%
Total Consumption		1,865	100%
Textiles entering the MSW waste stream		1,165	63%
Textiles collected for resale and recycling	324		17%
Of which:			
Resale for re-use in the UK	41		13%
Exported for resale for re-use	174		54%
Recycled in the UK	62		19%
Exported for recycling	26		9%
Rubbish, returned to waste stream	21		7%
Net textiles diverted from waste stream		303	16%
Textiles unaccounted for		397	21%

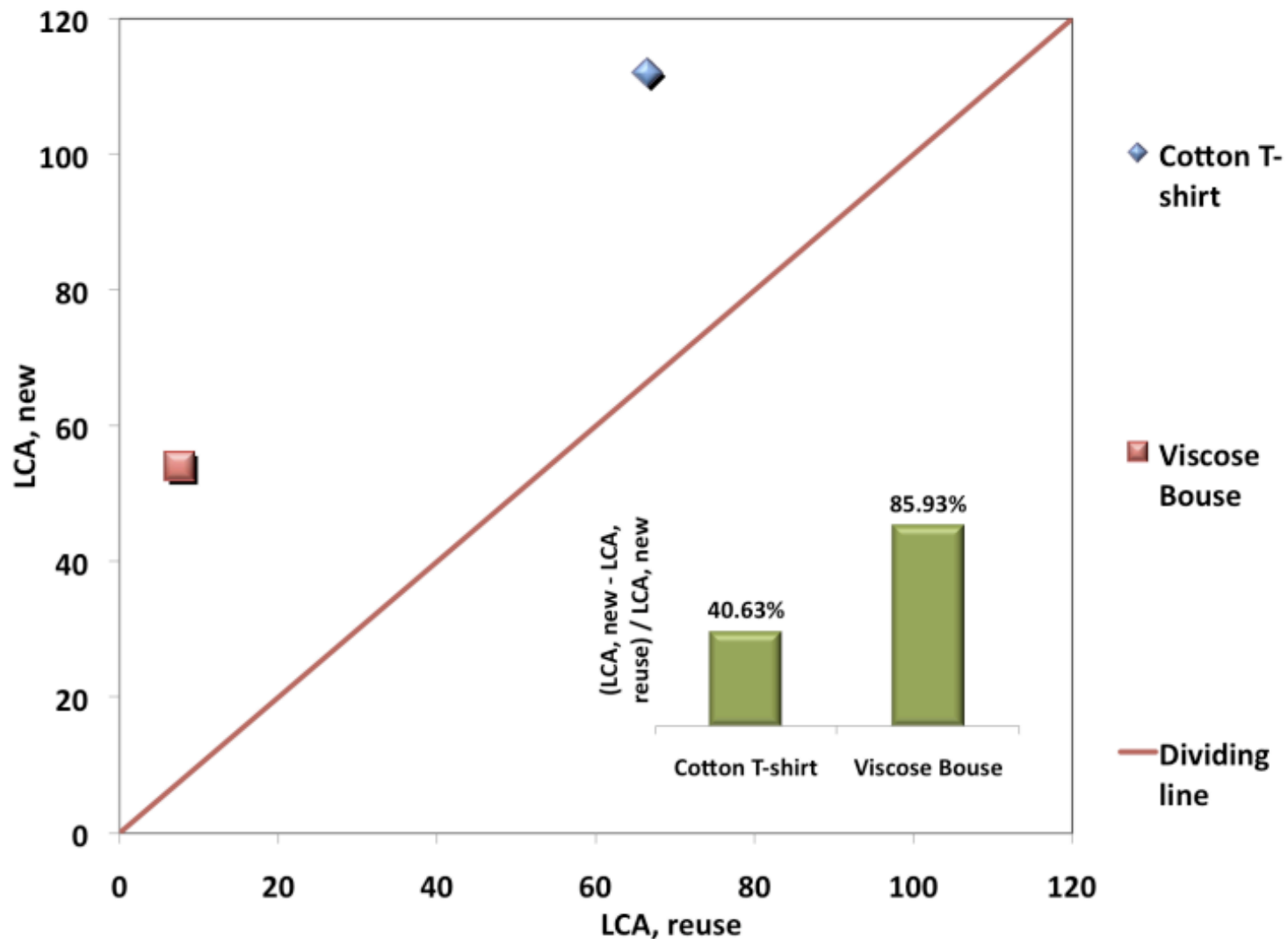
Recycling of Low Grade Clothing Waste, OAKDENE HOLLINS, 2006



Textiles - CED




Textiles – New or Remanufactured?



Computers

Newport Computers, Rochester, NH




 [Store](#) [Mac](#) [iPod](#) [iPhone](#) [iPad](#) [iTunes](#) [Support](#)


Apple Store Get answers from a Specialist before you buy: [Call 1-800-MY-APPLE](#) or [Ask Now](#)


[Home](#) > [Refurbished and Clearance...](#) > [Shop Refurbished Mac](#) Help Account Cart

Shop Refurbished
Refurbished Mac
MacBook
MacBook Air
MacBook Air 11"
MacBook Air 13"
MacBook Pro
MacBook Pro 13"
MacBook Pro 15"
MacBook Pro 17"

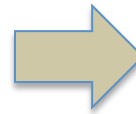
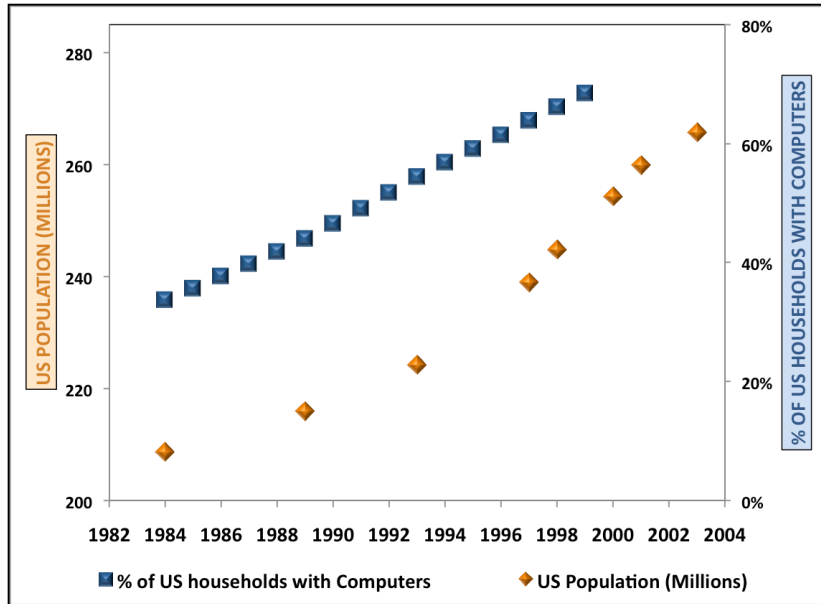
Featured Products

Refurbished 11.6" Macbook Air
1.6 GHz Intel Core 2 Duo. Only \$929.00
4GB memory. 128GB flash storage.


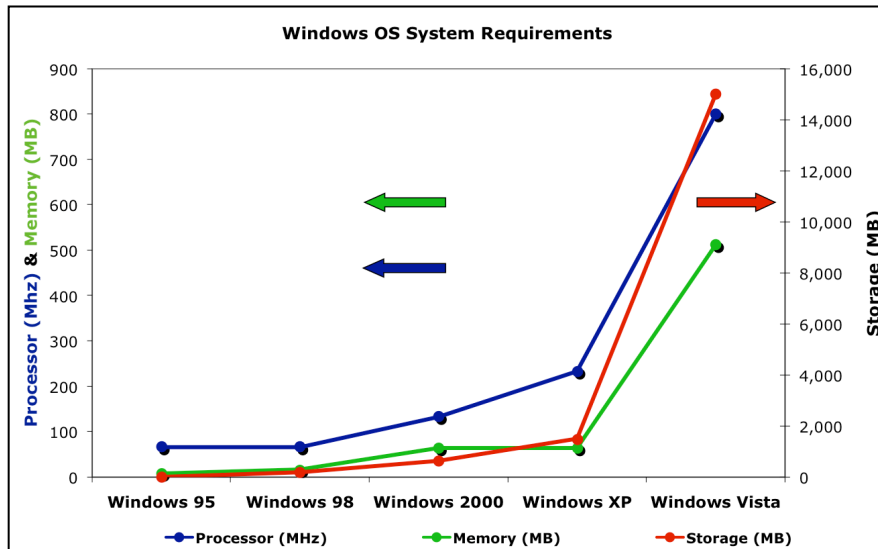
Refurbished 21.5" iMac
2.7GHz Intel Quad-Core i5. Only \$1,249.00
4GB memory. 1TB hard drive.


Refurbished 15.4" Macbook Pro
2.8GHz Intel Core i7. Only \$1,659.00
4GB memory. 500GB hard drive.


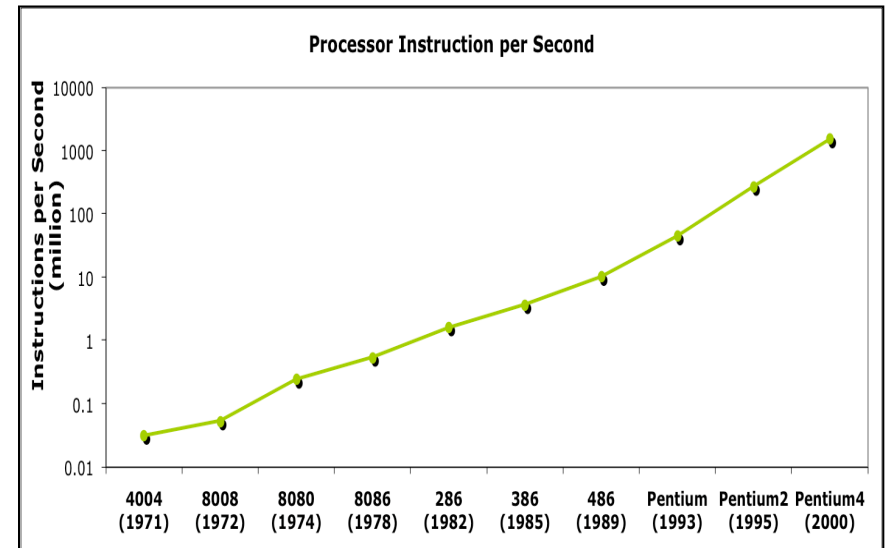
We love new computers



**Consume a lot
and
Replace them quickly**

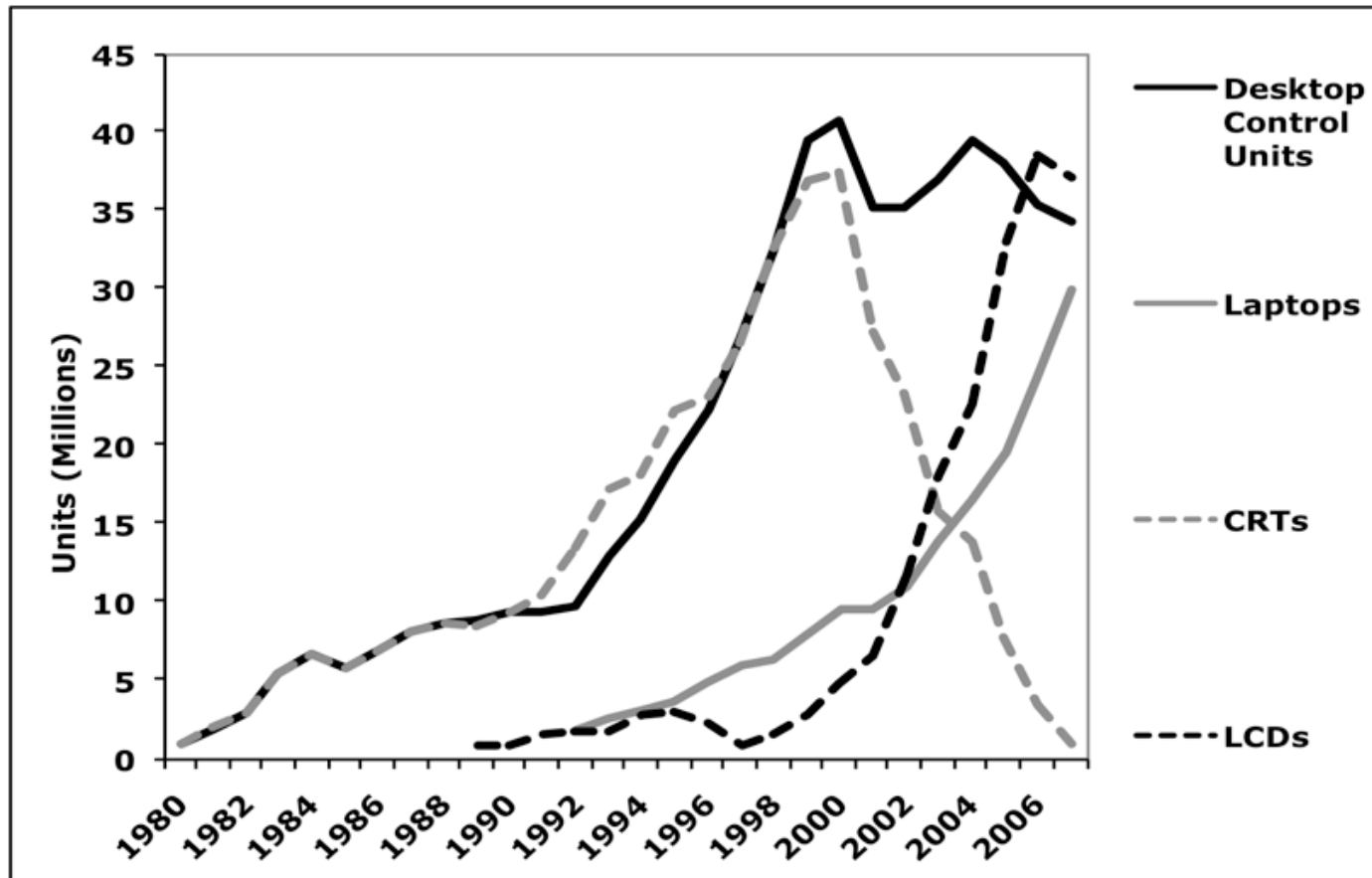


&



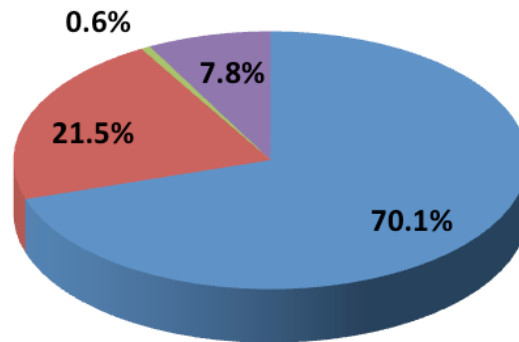
Sahni, S., A. Boustani, T.G. Gutowski, and S.G. Graves, "Reusing Personal Computer Devices - Good or Bad for the Environment?" IEEE/ International Symposium on Sustainable Systems and Technology, Washington D.C., May 16-19, 2010

Computer Sales and Market Share



Computer EoL in the US

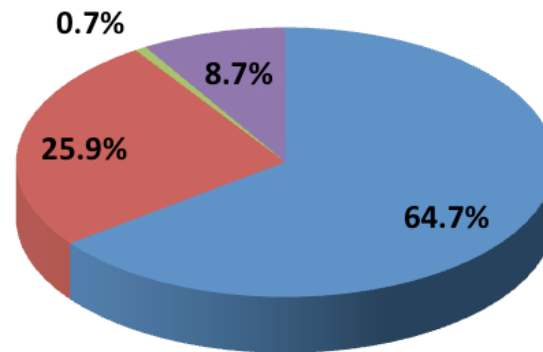
Computers (Desktop and Laptop)



Storage/
Reuse

Landfill

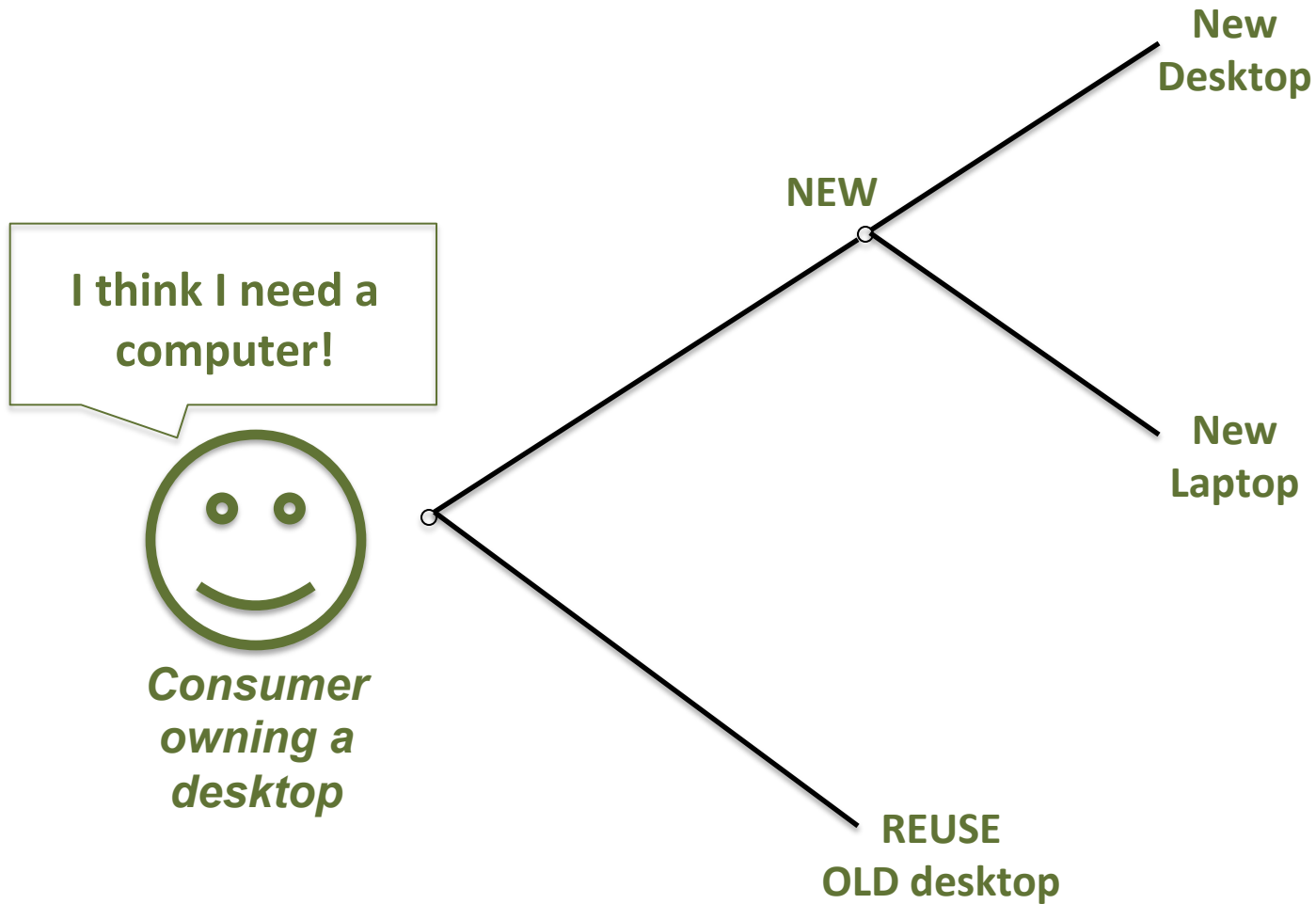
Monitors (CRT and LCD)



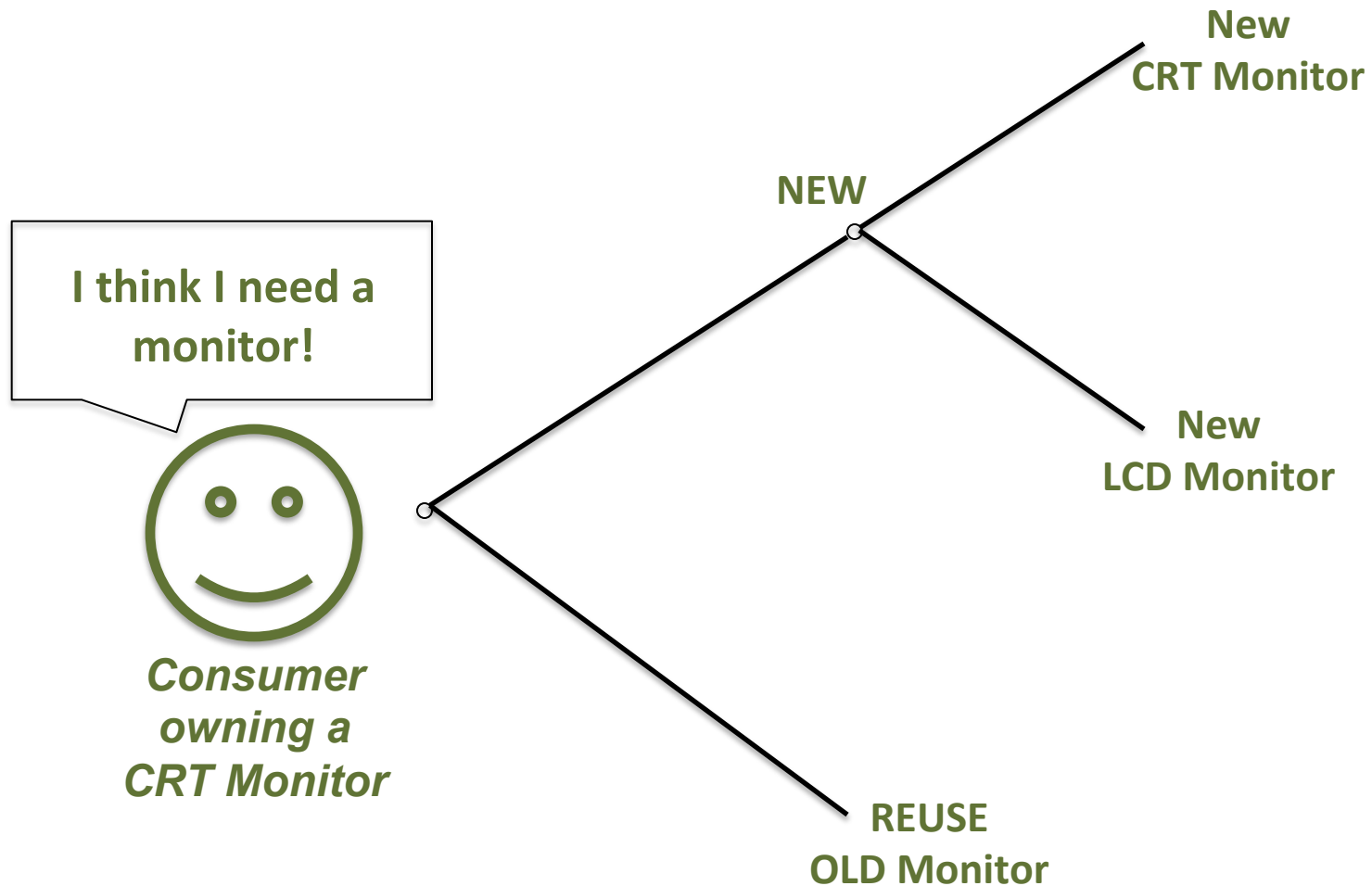
Incineration

Recycling

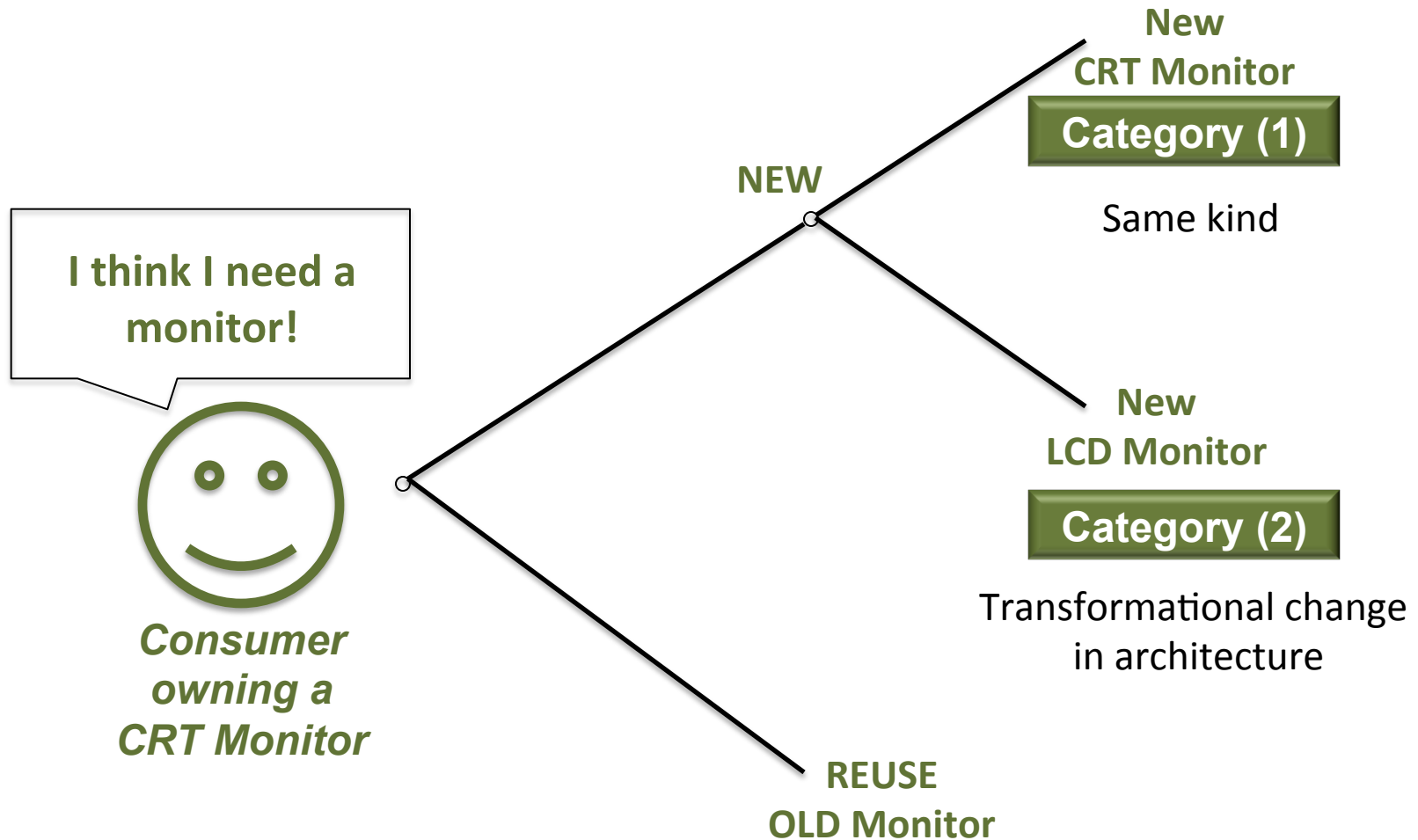
Computers – Scenario



Computers – Scenario



Computers – Scenario

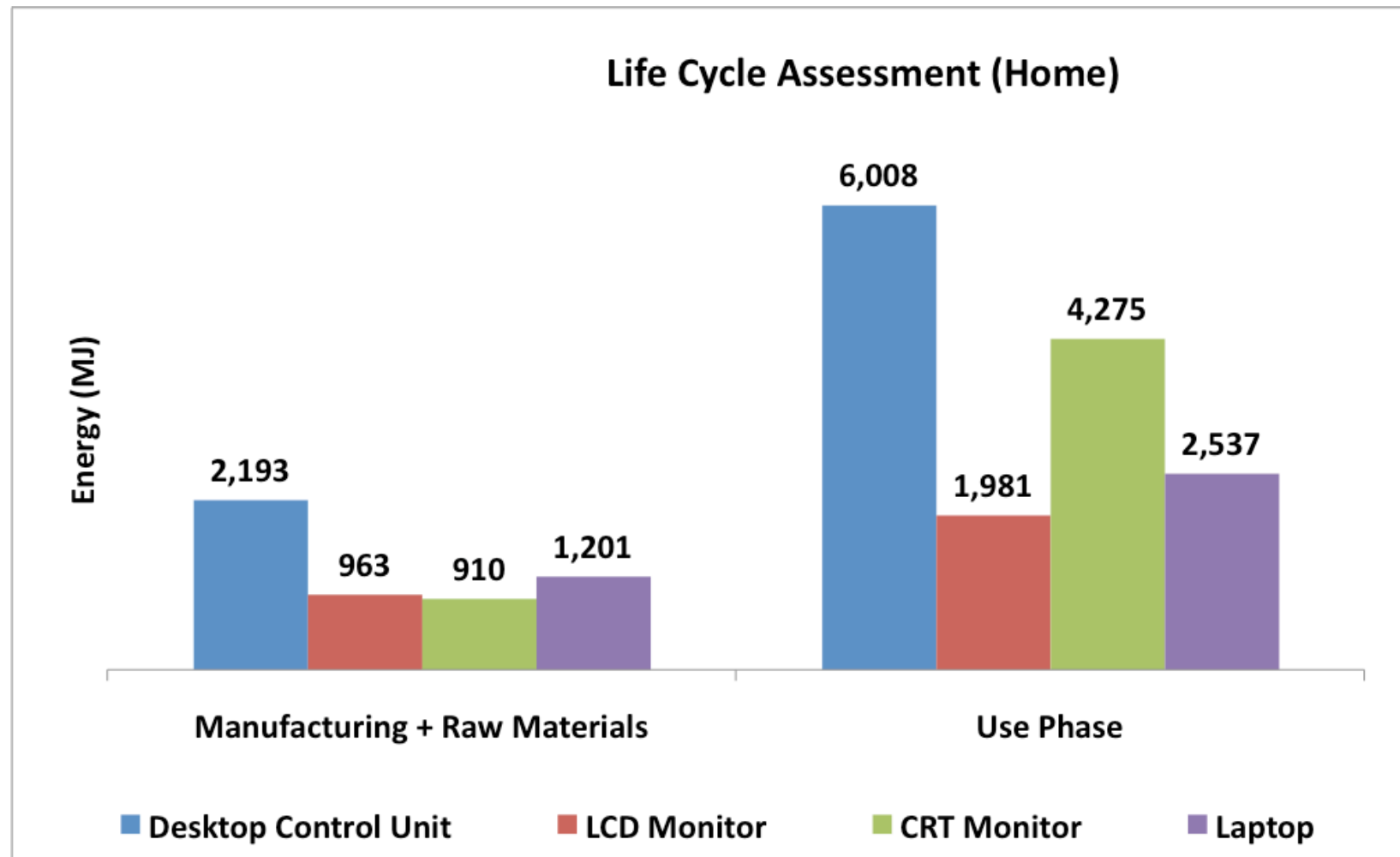


Computers – BoM of a Laptop

Material in a Laptop	Weight (g)
LDPE	43
PP	4
PS	3
EPS	50
PVC	23
ABS	142
PA 6	281
PC	267
PMMA	36
epoxy	3
Steel sheet galvanized	489
Al sheet/extrusion	38
Cu wire	60
Cu tube/sheet	15
MgZn5 cast	122
Power Coating	5
LCD screen m sq (viewable screen size)	63
Big caps and coils	501
Slots/external parts	133
Integrated Circuits, 5% Si, Au	47
Integrated Circuits 1% Si,	31
SMD and LED avg	50
PWB 1/2 lay 3.75 kg/m sq.	5
PWB 6 lay 4.5 kg/m sq	77
solder SnAg4Cu0.5	7
Glass for lamps	1
Cardboard	921
Glass for LCD	362
Total (Kg and MJ)	2.9

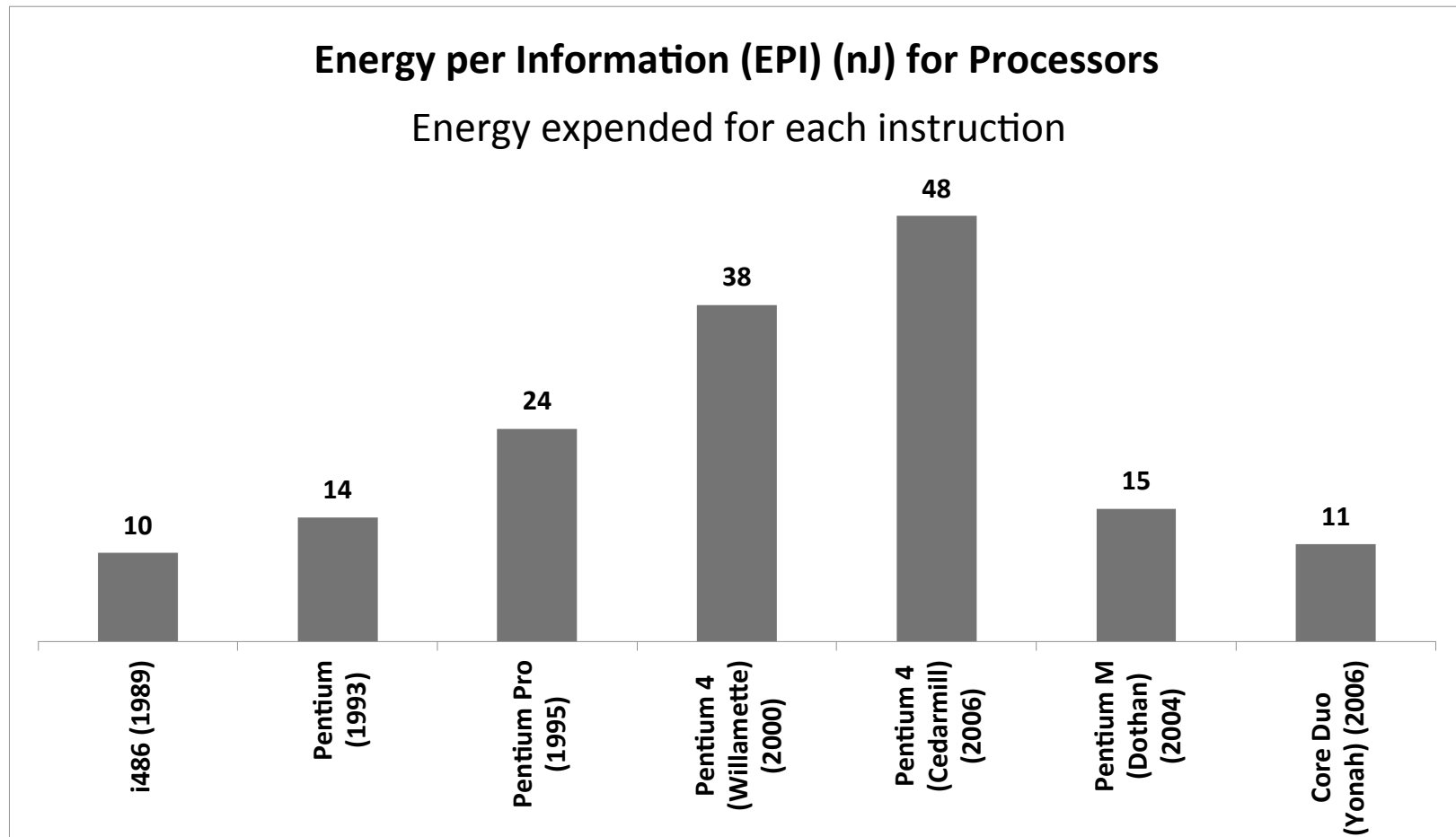
Not incl in total

Computers - CED



Sahni, S., A. Boustani, T.G. Gutowski, and S.G. Graves, "Reusing Personal Computer Devices - Good or Bad for the Environment?" IEEE/ International Symposium on Sustainable Systems and Technology, Washington D.C., May 16-19, 2010

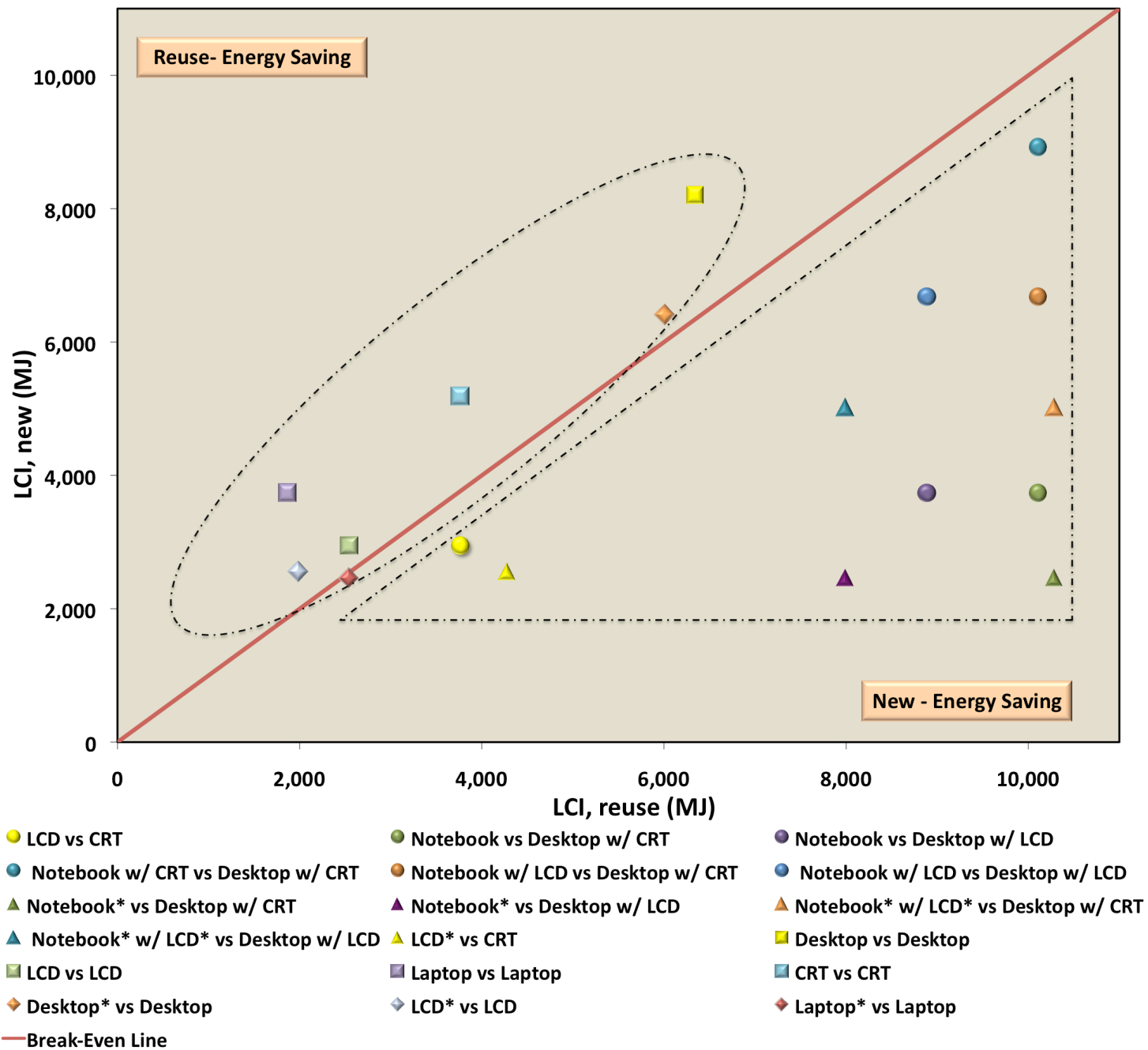
Trends in Processor Power Consumption



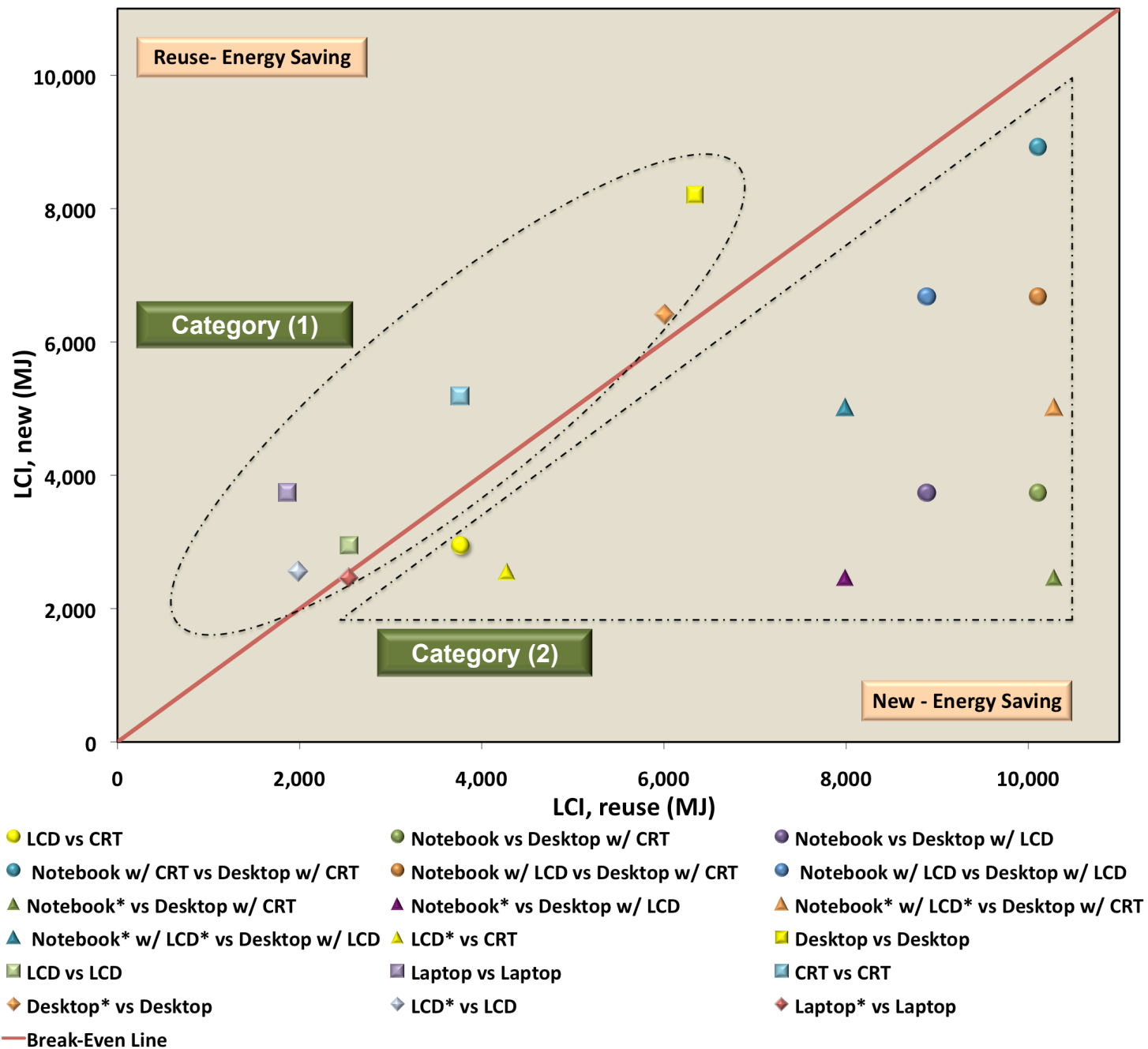
How do we use computers?

Computer Usage Pattern	Location	Mode	hours/day
Desktop	office	off	9.0
		sleep	8.8
		active	6.2
	home	off	11.8
		sleep	7.9
		active	4.3
Laptop	office	off	8.6
		sleep	8.2
		active	7.2
	home	off	12.2
		sleep	8.0
		active	3.8
Monitor	office	off	6.5
		sleep	10.4
		active	7.1
	home	off	13.2
		sleep	7.2
		active	3.5

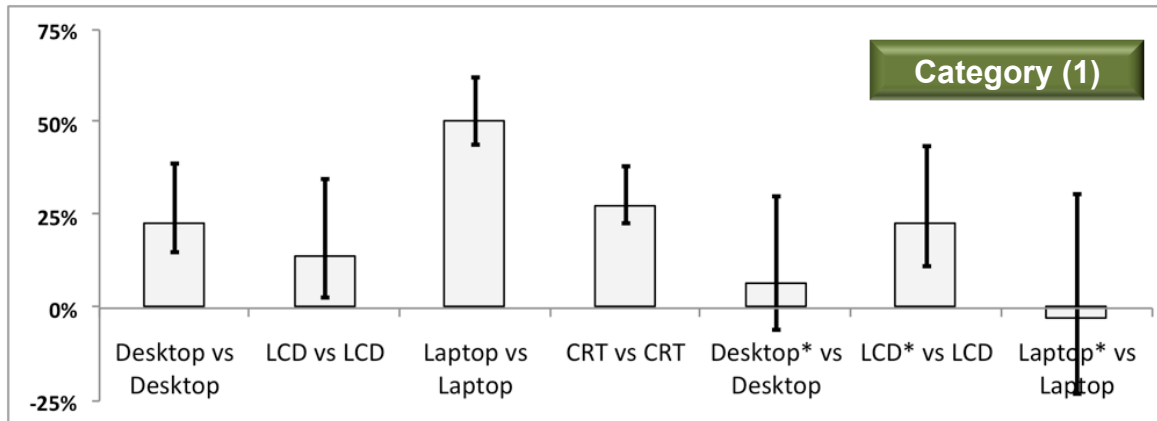
LCI, new vs LCI, reused



LCI, new vs LCI, reused



Key Sensitivity Analysis



Assumption:

The average lifetime for the use of a computer as home is assumed to be 4 years

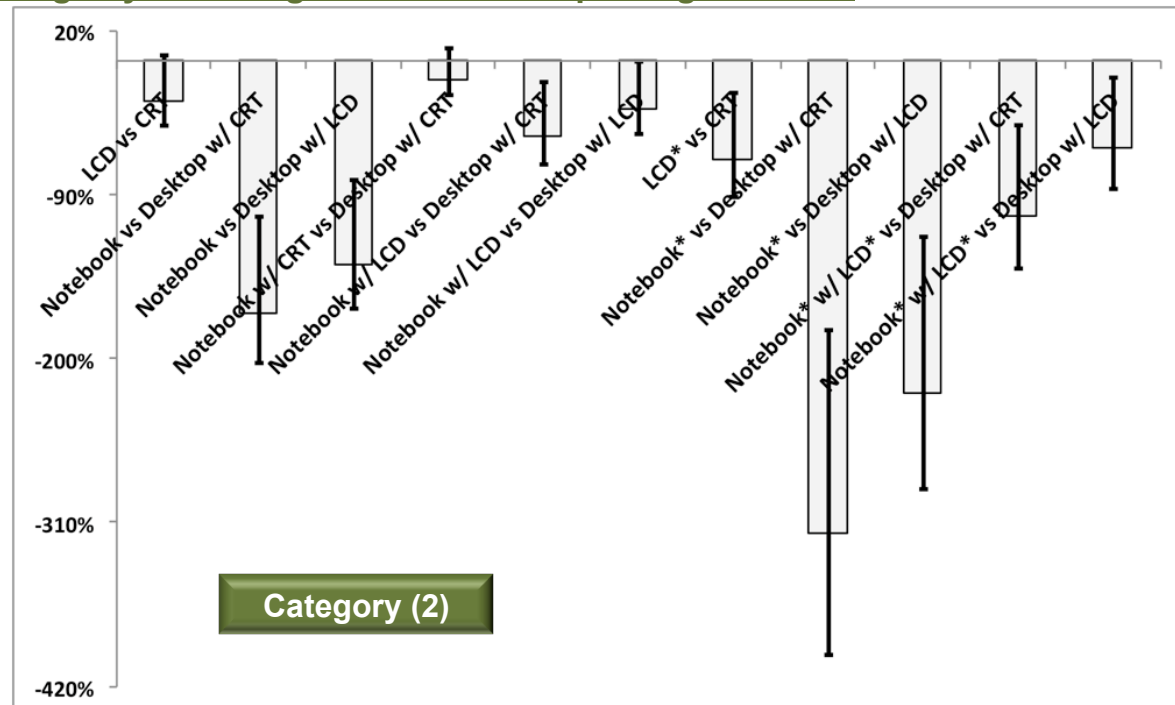
Life cycle energy savings by choosing to reuse over replacing with new

Sensitivity Analysis:

Columns: 4yrs

Outside end: 6 yrs

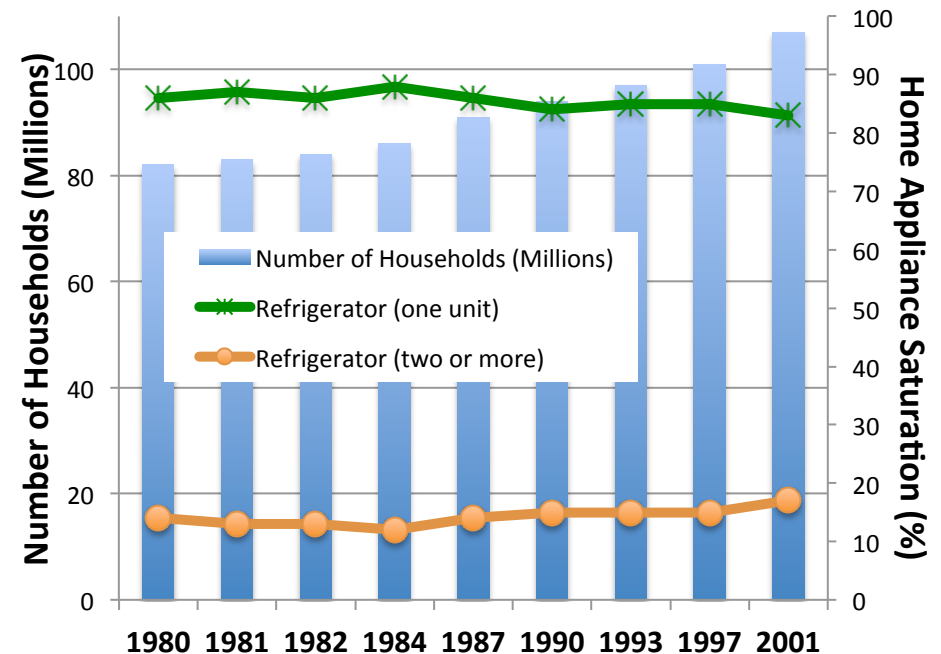
Inside end: 2 yrs



Appliances – What's their footprint?

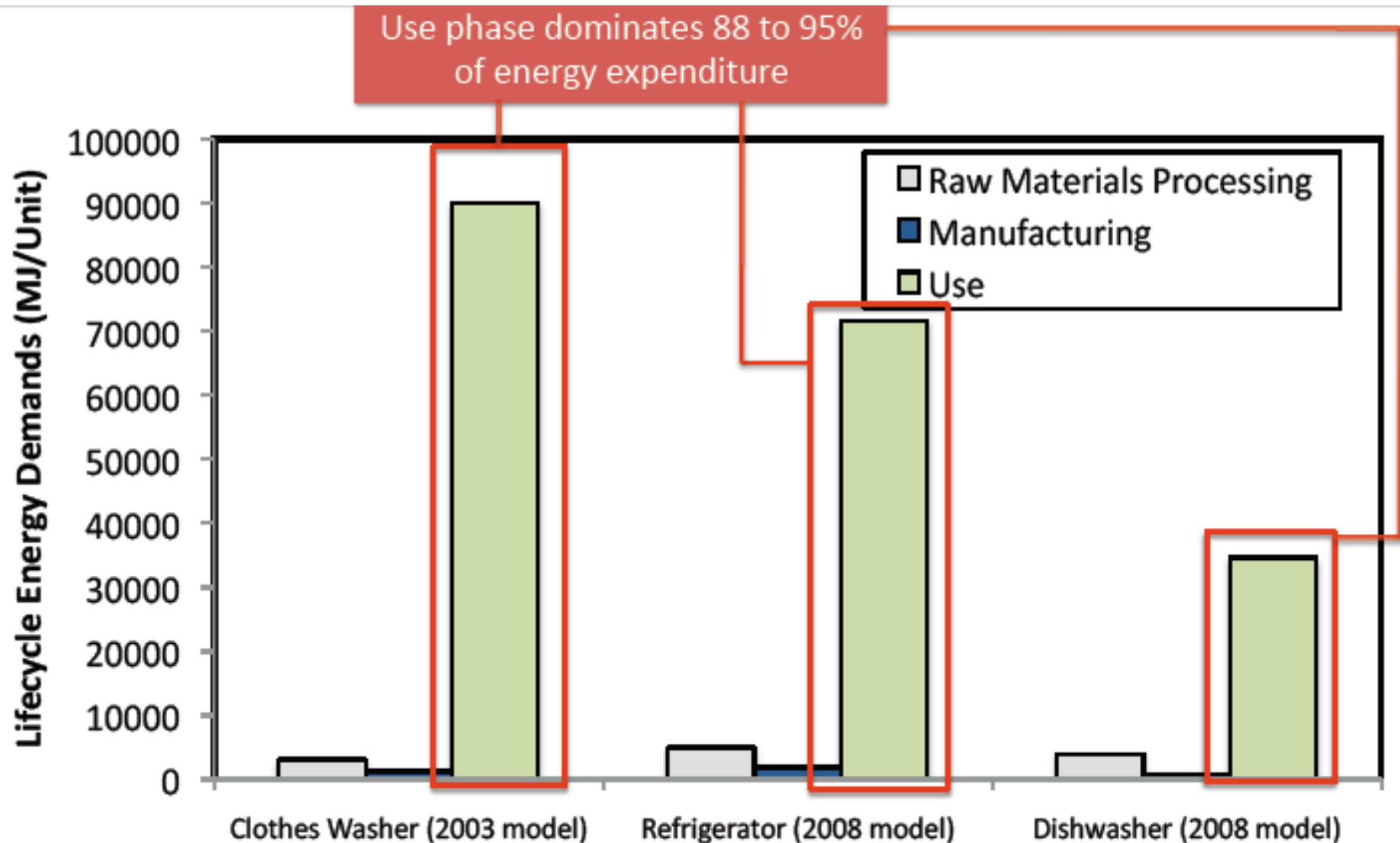
- Appliance energy consumption
 - Home appliances
 - 30% of the U.S. residential electricity consumption
 - More than 10% of the total US Electricity consumption

Households in U.S. own 1, 2, or more refrigerators



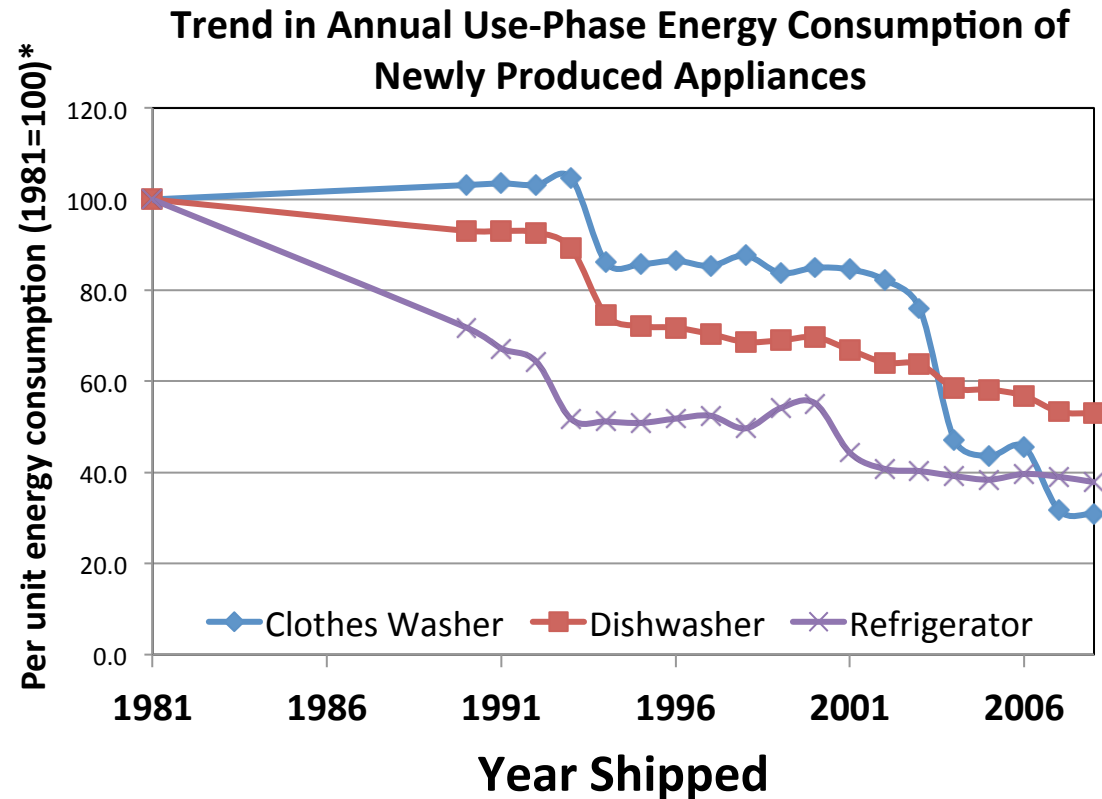
Source: Energy Information Association (EIA). 2001. *Appliance Reports: US Data Table 2001*.

Appliances - CED



Appliance – Use Phase

- Appliances presented are
REFRIGERATOR
DISHWASHER
CLOTHES WASHER
- Unit energy consumption of major appliances have dropped by 40-70% between 1981 and 2008.

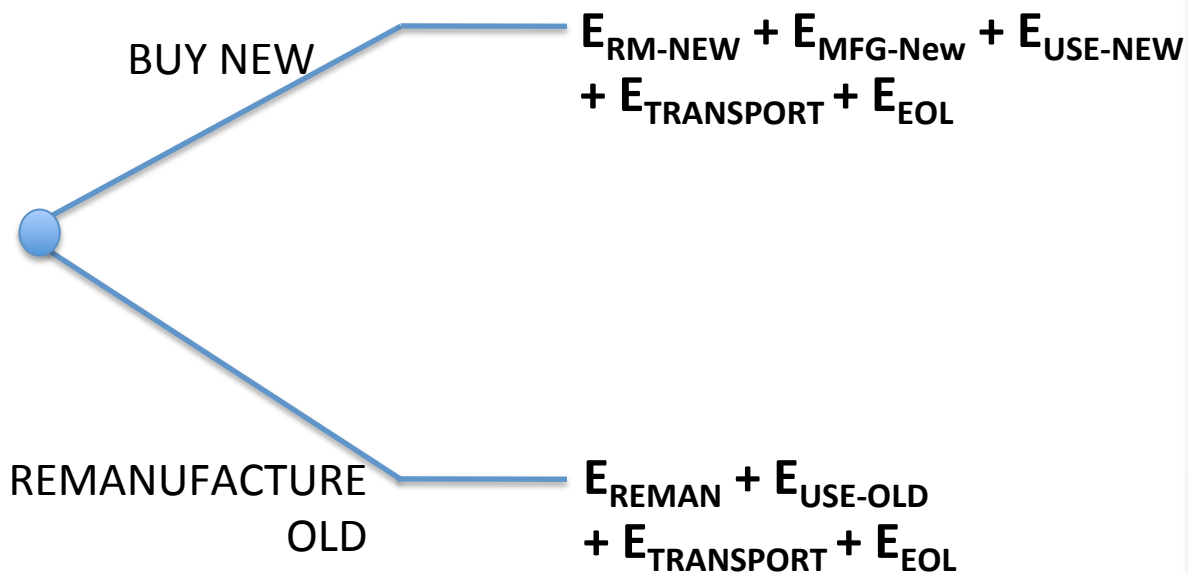


Source: AHAM, 2008.

*service unit for clothes washer, dishwasher, and refrigerator are energy consumption per cycle, energy consumption per cycle, and annual energy expenditure.

Appliances - Scenario

- **Scenario:** As a used appliance reaches end-of-life the consumer has a decision to make:



Assumptions for New

- Conventional unit
- Product purchase-to-purchase lifetime same regardless of year manufactured
 - Refrigerator: 14 Years
 - Clothes Washer: 11 Years
 - Dishwasher: 10 Years

Assumptions for Reman

- Service lifetime=Prior lifetime
- Restored to like-new condition
- $E_{REMAN}=0$, again in S.A.
(in favor of Remanufacturing)

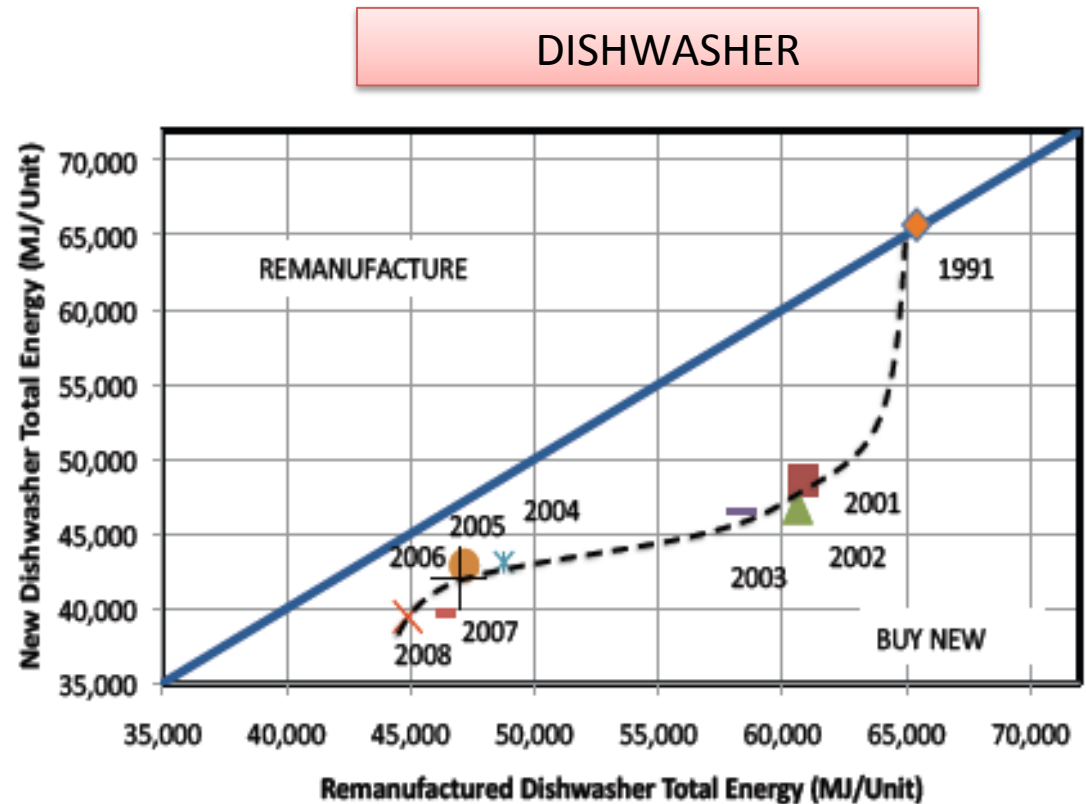
Appliance – New or Remanufactured?

	Energy New Unit (MJ/Unit Service ^a)	Energy Remanufactured Unit (MJ/Unit Service ^a)	Energy Savings (%)
Clothes Washer (2003 model versus 1992 model)	1,108,194	1,590,310	- 44%
Refrigerator (2008 model versus 1994 model)	129,886	170,852	-32%
Dishwasher (2008 model versus 1998 model)	39,459	44,896	- 14%

^a Unit service for clothes washer and refrigerator are cubic meters while for dishwasher is a unit product. Dishwashers are not normalized by unit volume because their volumes have not changed substantially.

Appliance - Dishwasher

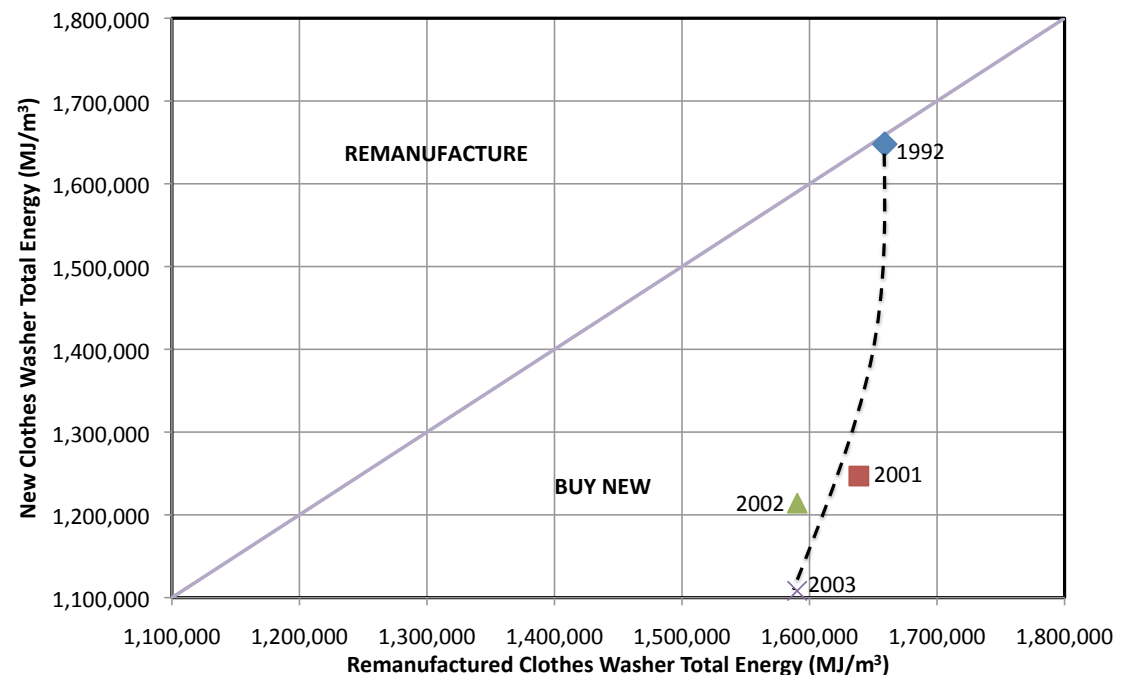
- Life cycle energy demands for new dishwashers reduced by 40% from 1991 to 2008.
- Life cycle energy impacts of new and remanufactured dishwashers break-even in 1991.
- Remanufacturing leads to 25% and 14% more life cycle energy use in 2001 and 2008.



Appliance – Clothes Washer

CLOTHES WASHER

- Life cycle energy demands for new clothes washers reduced by 32% from 1992 to 2003.
- Life cycle energy impacts of new and remanufactured clothes washers break-even in 1992.
- Remanufacturing leads to 44% more life cycle energy use in 2003.



Appliance – Clothes Washer

- Technological transformation (architectural changes) from top-load-vertical-axis washers to front-load-horizontal-axis washers.
- By 2004, most efficient horizontal-axis washer 76% more efficient than average clothes washer.
- Main efficiency improvements influenced by advances in water resources management.
- Efficiency improvements makes remanufacturing energy expending end-of-life option.

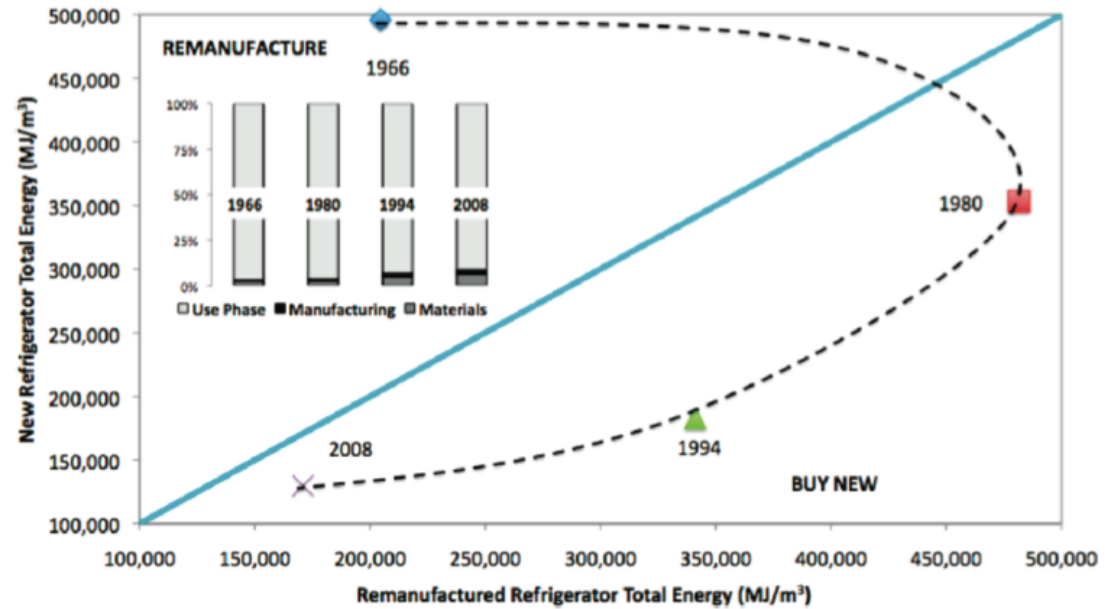


Source: Bole, R. (2006). Life-cycle optimization of residential clothes washer replacement. Dep. Natural Resources and Environment, Univ. of Michigan, Ann Arbor.

Appliance - Refrigerator

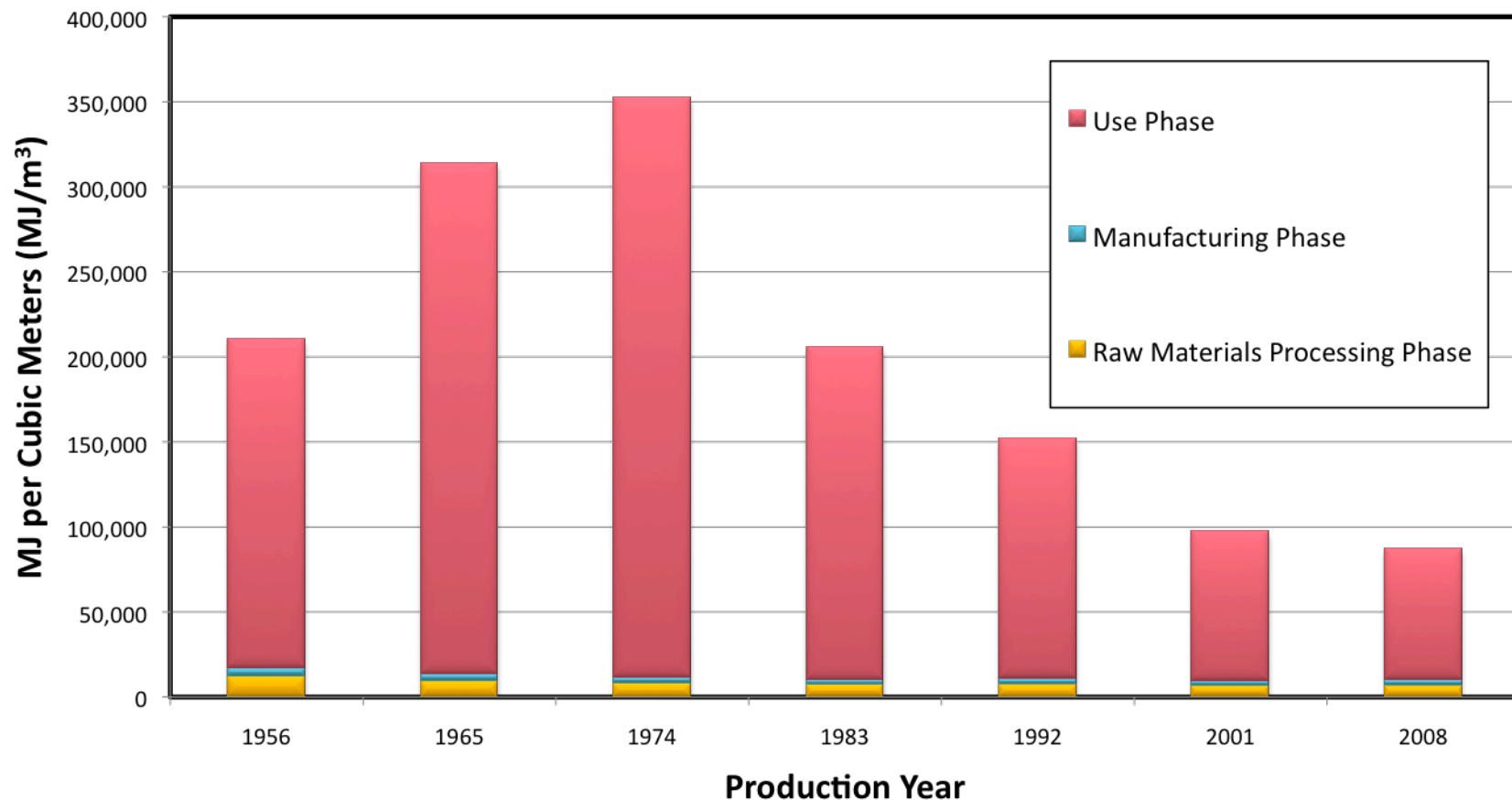
REFRIGERATOR

- Remanufacturing in year 1966 leads to 59% savings in total lifecycle energy.
- After establishment of Energy Policy & Conservation Act in 1975 new appliances have become increasingly more efficient.
- In 1994 utilizing a remanufactured 1980 model refrigerator would expend 86% more energy from a total lifecycle perspective.



Appliance – Refrigerator - CED

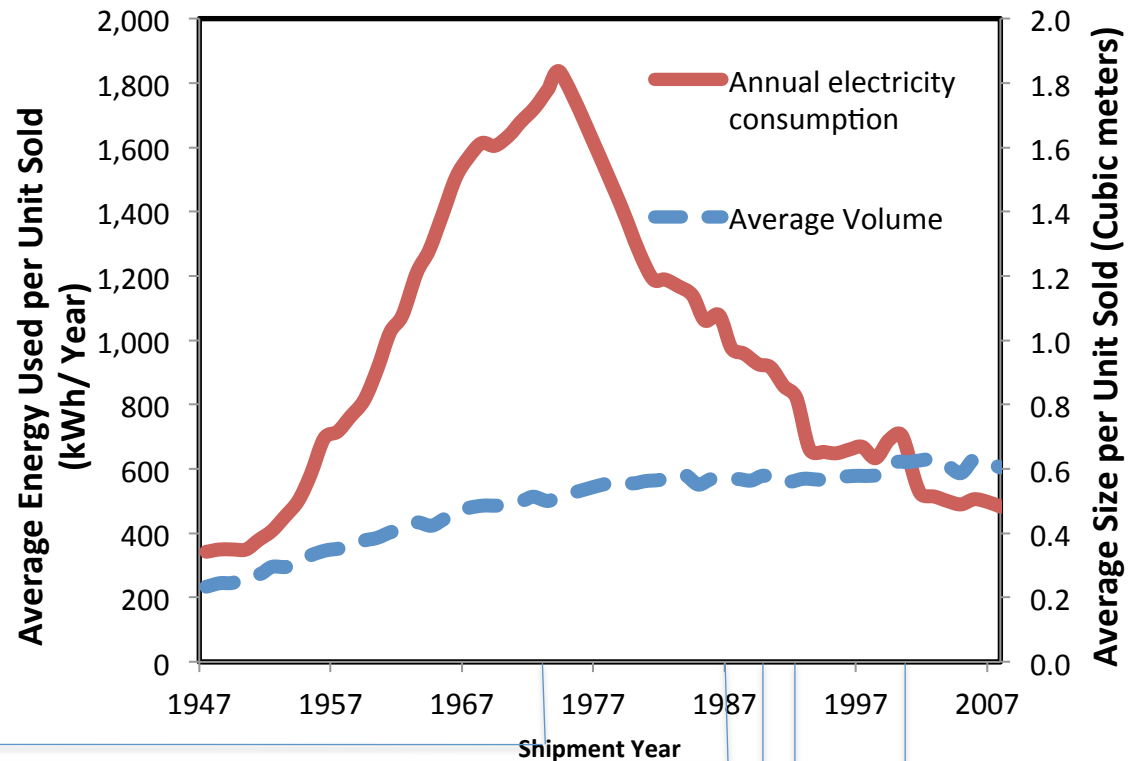
Total Lifecycle Energy Assessment: New Refrigerator



Appliance - Refrigerator

- Refrigerators have improved in time
 - 400% rise from 1947 to 1974
 - 75% drop from 1974 to 2008
 - 2x increase in size from 1947 to 2008

- Improvements driven by:
 - Advancement in cooling and insulation technologies
 - Standards
 - Volunteer programs: Energy Star



1974

- First State-Wide Appliance Energy Efficiency Standard (CA)

1975

- Establishment of Energy Policy & Conservation Act

1987

- Establishment of National Appliance Energy Conservation Act

1990

- First U.S. Standard for Refrigerators (976 kWh)

1993

- 1st Update to U.S. Standard (686 kWh)

2001

- 2nd Update to U.S. Standard (486 kWh)

Cartridges



Powered by DIVTrade.com

Remanufactured toner cartridge with Xerox c6130

Model: C6130

Brand: Xerox

Origin: Made In China

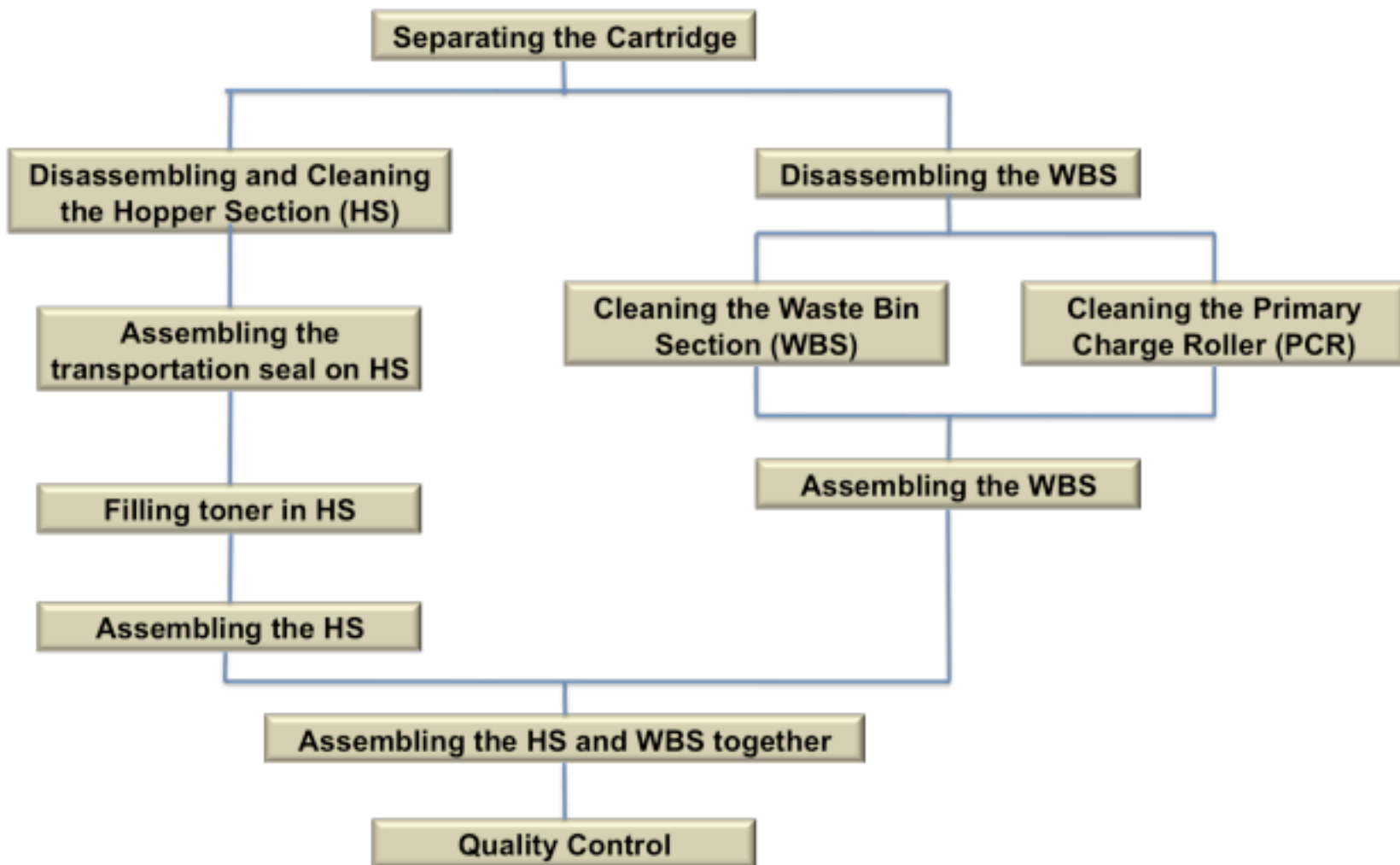
Category: [Office Supplies / Office Consumable / Other Office Consumable](#)

Keywords: [Toner cartridge](#)

Price: -

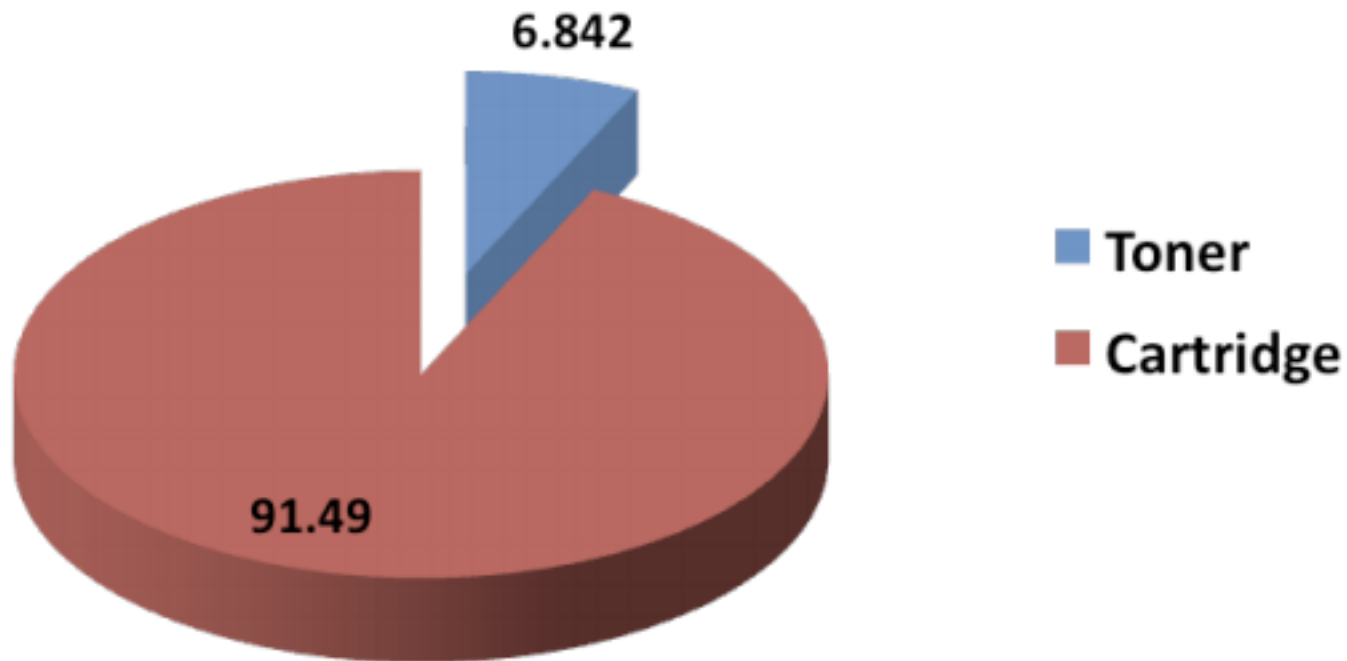
Min. Order: 50 pc

Cartridge – Remanufacturing (Refilling)



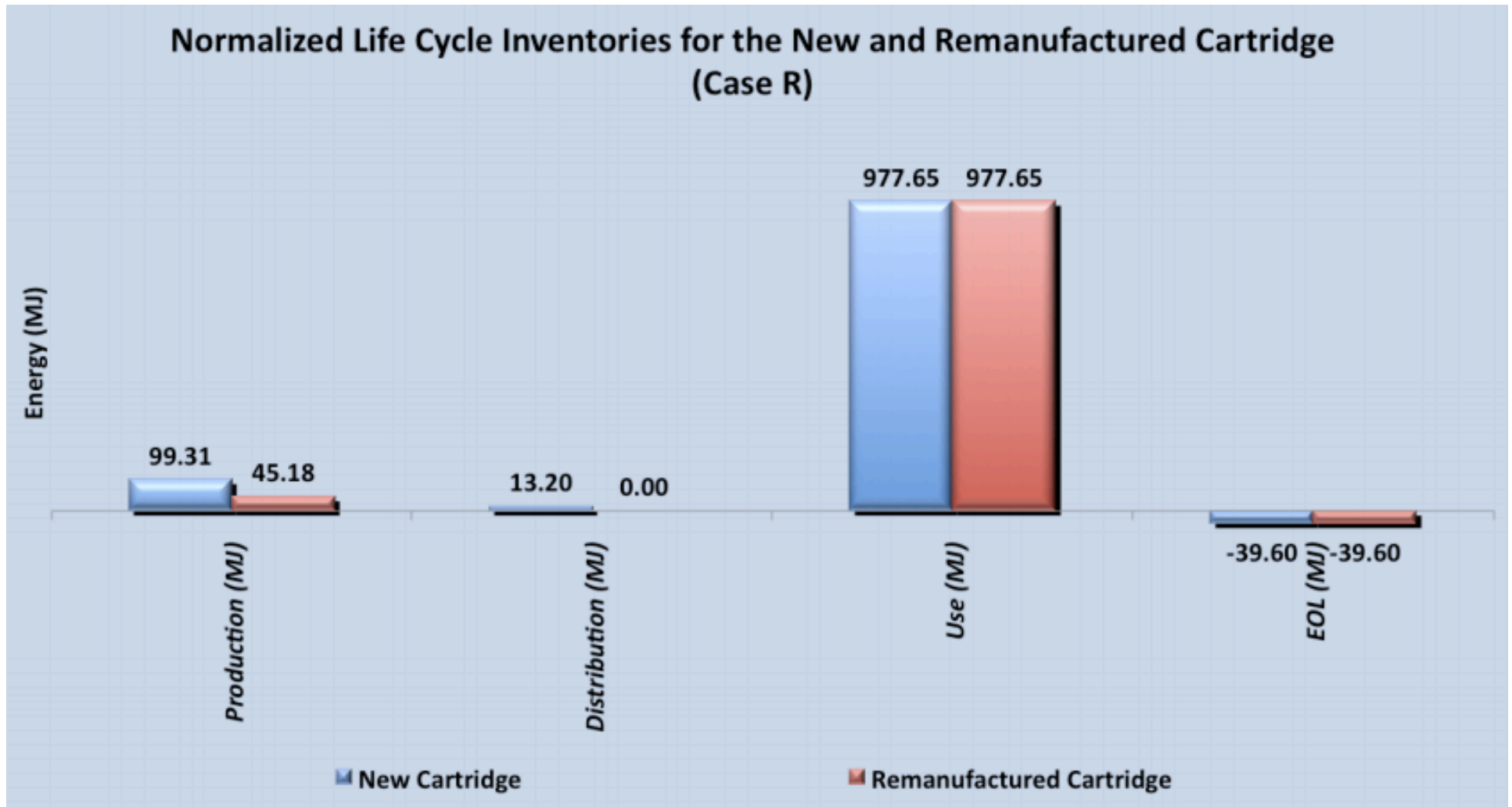
Cartridge - CED

Manufacturing Energy (MJ)



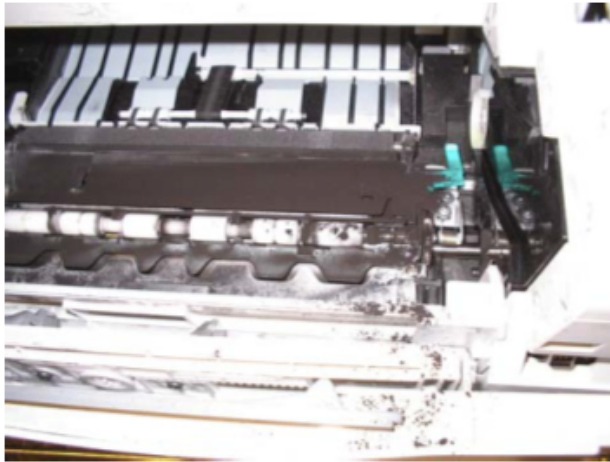
What about Use Phase?

Cartridge – New or Refilled?

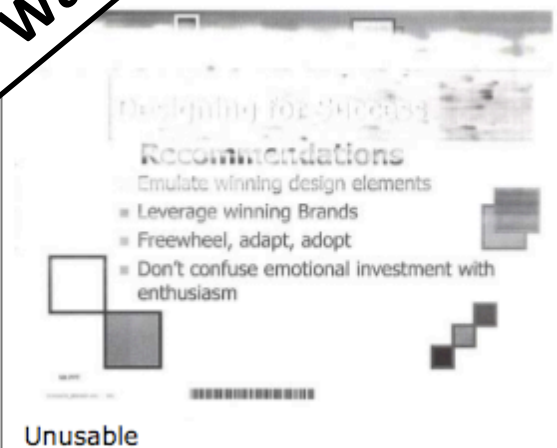
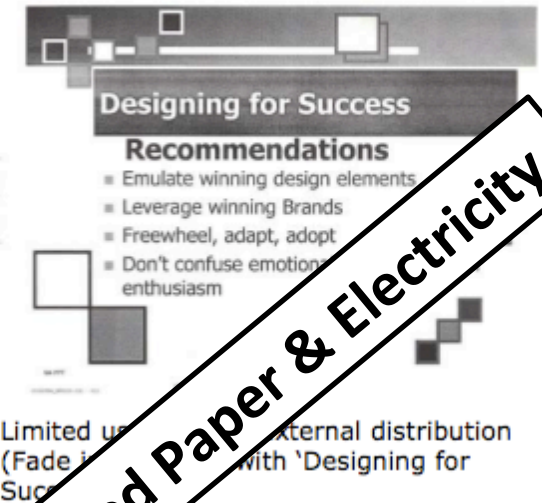
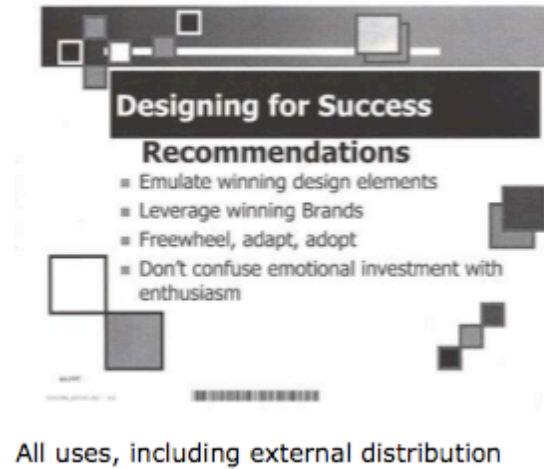


New & Refilled: 101 print out pages to obtain 100 useful print outs

Refilled Toner Cartridge - Use



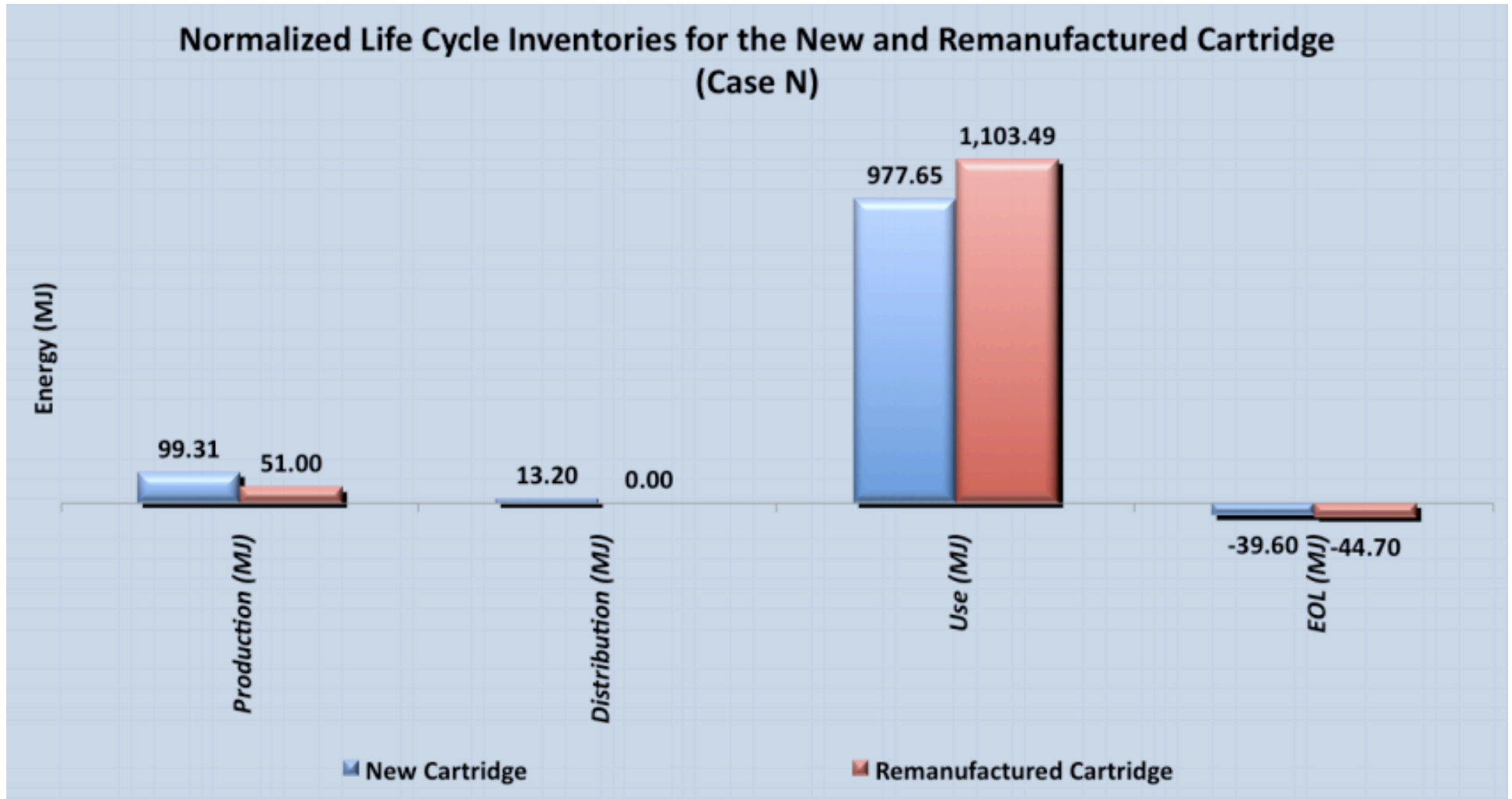
Cartridge Leak



Poor Quality Printing – Wasted Paper & Electricity

Quality Logic. Reliability comparison study:
HP laserjet toner cartridges vs
remanufactured brands. 2008.

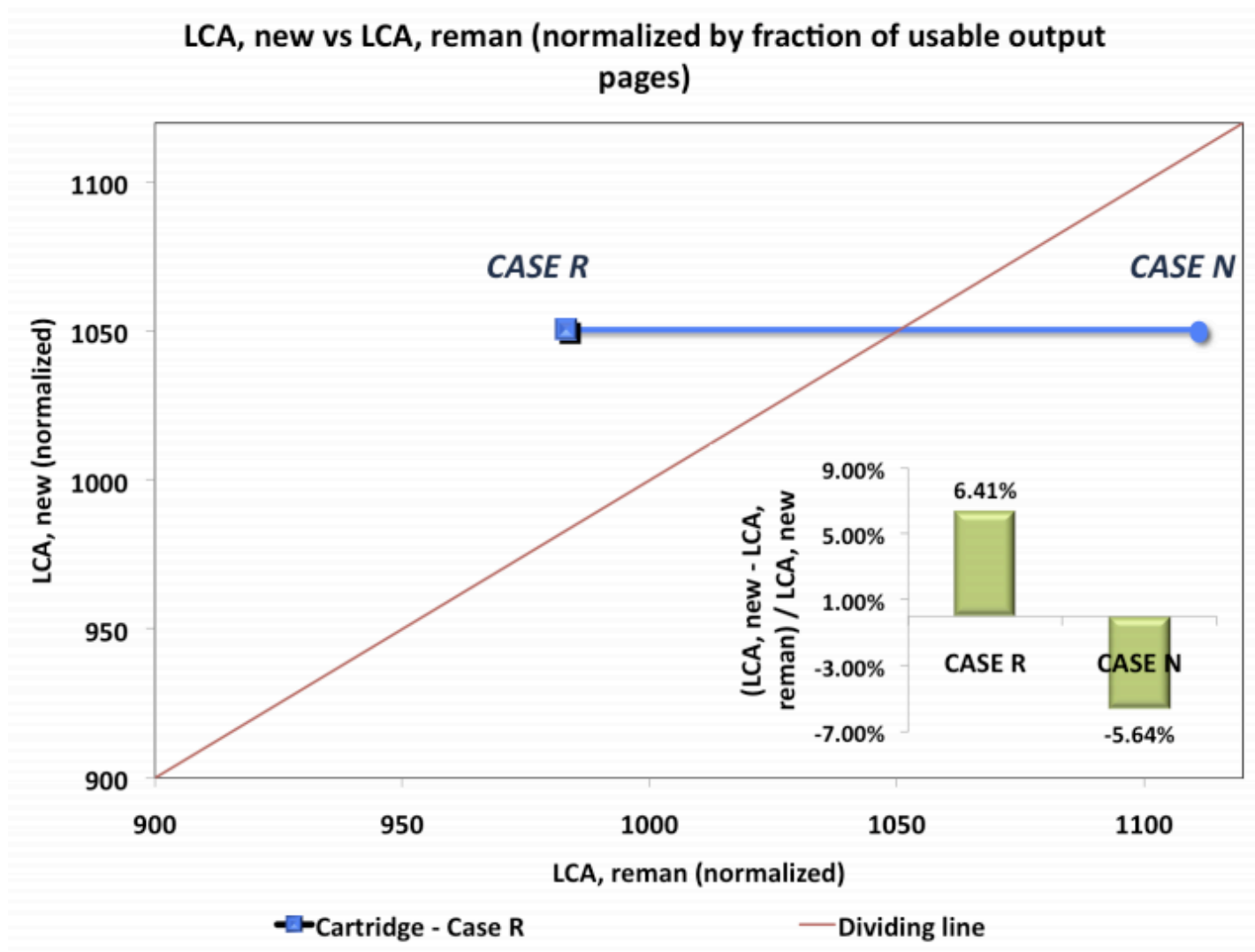
Cartridge – New or Refilled?



New: 101 print out pages to obtain 100 useful print outs

Refilled: 114 print out pages to obtain 100 useful print outs

Cartridge – New or Refilled?



Competition in Remanufacturing

- OEMs sometimes remanufacture even if they don't want to, to avoid competition from third-part remanufacturers
- Lexmark employed a Prebate system (contractual agreement)
 - Buyer must return or discard spent ink cartridge
 - US Court of Kentucky barred this practice
- Rapid design changes by OEM
 - HP has over 1000s of printer and printer cartridge designs

Other Products

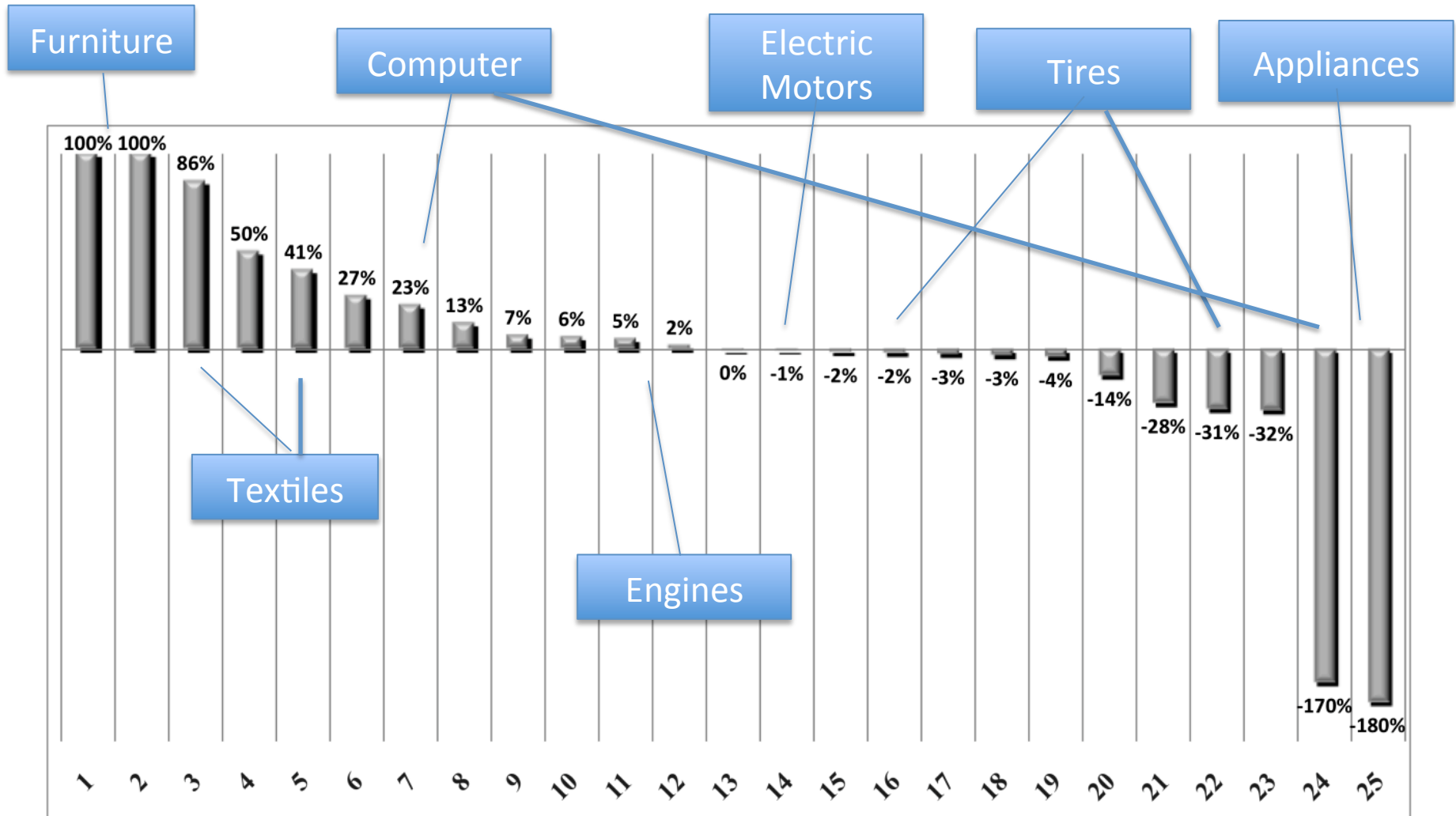
- **Tires (Retreading)**
 - 44% of all replacement tires are retreaded (Michelin)
 - Improving performance (reducing rolling resistance)
 - Transformational change: Biasply to Radial to advanced radial
 - Empirically observed up to 8% increase in rolling resistance in retreaded tires, enough to overcome production phase savings
- **Electric Motors (rewinding)**
 - Use Phase dominates
 - Stricter standards in the efficiency of performance
 - EPA software estimate 1% decrease in efficiency for small motors and 0.5% for large motors after rewinding, enough to overcome production phase energy savings from rewinding
- **Engines**
 - Use phase strongly dominates
 - Historically changing efficiency with earlier and new CAFE standards

25 Case Studies

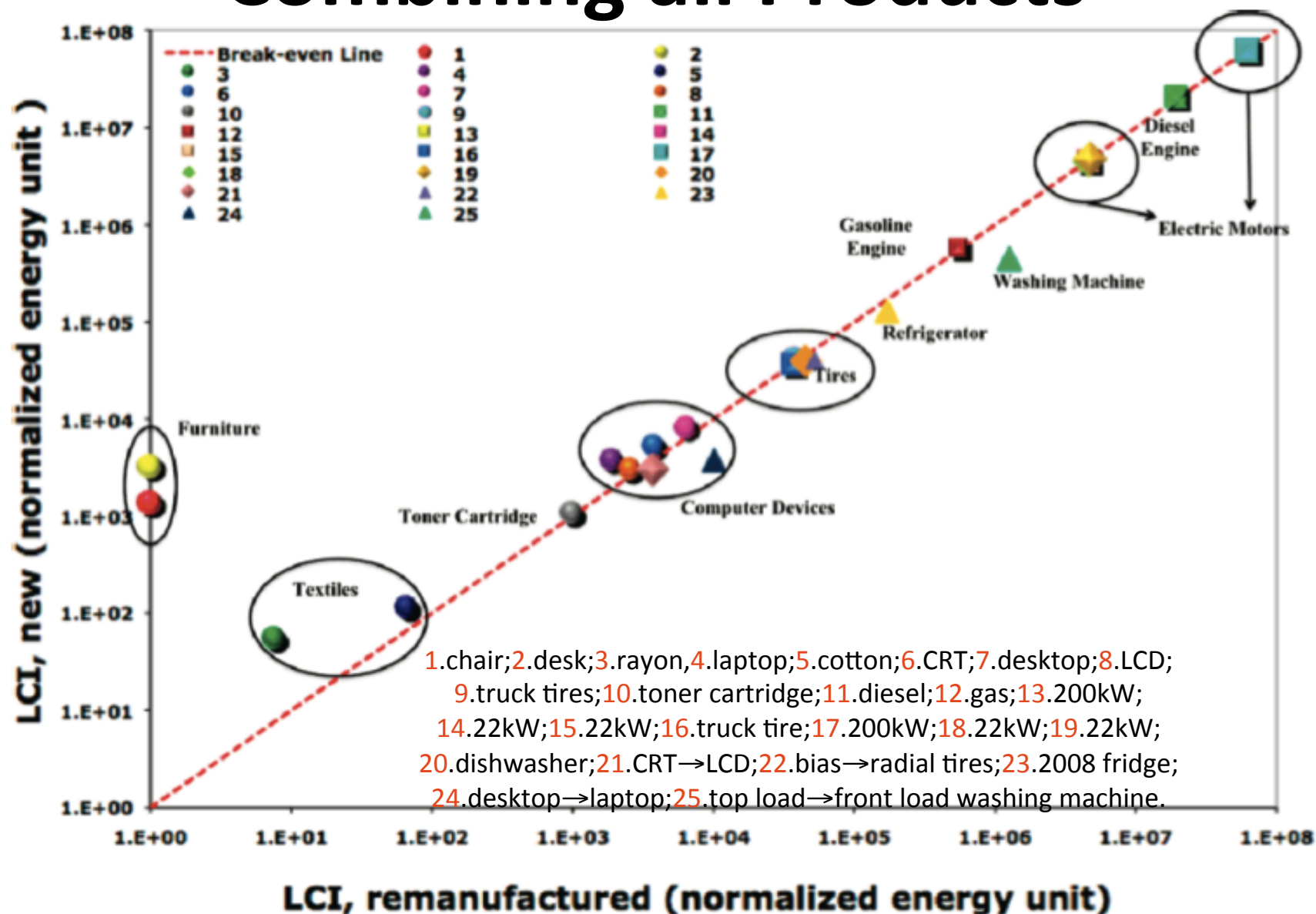
Category	Ref # for Figure 2 and 3	New		Remanufactured		Scenario	Normalized Unit for Energy
		Product Details	Year of Mfg	Product Details	Year of Mfg		
Appliances	20	Dishwasher	2008	Dishwasher	1998	Remanufacture	MJ/unit product
	23	Refrigerator	2008	Refrigerator	1994	Remanufacture	MJ/m ³
	25	Washing Machine (front-load)	2008	Washing Machine (top-load)	1997	Remanufacture	MJ/m ³
Computers	7	Desktop Control Unit	2005	Desktop Control Unit	2001	Reuse/Upgrade	MJ/unit product
	4	Laptop	2005	Laptop	2001	Reuse/Upgrade	MJ/unit product
	6	CRT Monitor	2005	CRT Monitor	2001	Reuse	MJ/unit product
	8	LCD Monitor	2005	LCD Monitor	2001	Reuse	MJ/unit product
	24	Laptop	2005	Desktop w/ CRT Monitor	2001	Reuse/Upgrade	MJ/unit product
	21	LCD Monitor	2005	CRT Monitor	2001	Reuse	MJ/unit product
Furniture	2	Office Desk	-	Office Desk	-	Reuse	MJ/unit product
	1	Office Chair	-	Office Chair	-	Reuse	MJ/unit product
Textiles	5	Cotton T-shirt	-	Cotton T-shirt	-	Reuse	MJ/unit product
	3	Viscose Blouse	-	Viscose Blouse	-	Reuse	MJ/unit product
Toner Cartridge	10	Toner Cartridge	-	Toner Cartridge	-	Refill	MJ/fraction of usable pages
Engines	12	Passenger Car Gasoline Engine	1999	Passenger Car Gasoline Engine	1987	Remanufacture	MJ/unit product
	11	Combination truck Diesel Engine	1999	Combination truck Diesel Engine	1987	Remanufacture	MJ/unit product
Electric Motors	19	22 kW Electric Motor Energy Efficient	-	22 kW Electric Motor Standard Efficient	-	Rewind	MJ/unit product
	14	22 kW Electric Motor Energy Efficient	-	22 kW Electric Motor Energy Efficient	-	Rewind	MJ/unit product
	15	22 kW Electric Motor NEMA Premium	-	22 kW Electric Motor Energy Efficient	-	Rewind	MJ/unit product
	18	22 kW Electric Motor NEMA Premium	-	22 kW Electric Motor NEMA Premium	-	Rewind	MJ/unit product
	17	200 kW Electric Motor NEMA Premium	-	200 kW Electric Motor Standard Efficiency	-	Rewind	MJ/unit product
	13	200 kW Electric Motor NEMA Premium	-	200 kW Electric Motor NEMA Premium	-	Rewind	MJ/unit product
Tires	22	Heavy-Duty Truck Tires Radial	-	Heavy-Duty Truck Tires Bias-ply	-	Retread	MJ/unit product
	9	Heavy-Duty Truck Tires Radial	-	Heavy-Duty Truck Tires Radial	-	Retread	MJ/unit product
	16	Heavy-Duty Truck Tires Advanced Radial	-	Heavy-Duty Truck Tires Radial	-	Retread	MJ/unit product

Combining all Products

% Life-Cycle Energy Savings for Remanufactured wrt New



Combining all Products



References

T.G. Gutowski, S. Sahni, A. Boustani, and S.C. Graves. "Remanufacturing and Energy Savings," Environmental Science and Technology Vol. 45, pp. 4540-4547, 2011. ([click here for pdf](http://web.mit.edu/newsoffice/2011/remanufacturing-0516.html))

<http://web.mit.edu/newsoffice/2011/remanufacturing-0516.html>

<u>Product Category</u>	<u>Report #</u>	<u>Hyperlink</u>
Appliances	MITEI-1-a-2010	http://web.mit.edu/ebm/www/Publications/MITEI-1-a-2010.pdf
Toner Cartridge	MITEI-1-b-2010	http://web.mit.edu/ebm/www/Publications/MITEI-1-b-2010.pdf
Electric Motor	MITEI-1-c-2010	http://web.mit.edu/ebm/www/Publications/MITEI-1-c-2010.pdf
Engines	MITEI-1-d-2010	http://web.mit.edu/ebm/www/Publications/MITEI-1-d-2010.pdf
Furniture	MITEI-1-e-2010	http://web.mit.edu/ebm/www/Publications/MITEI-1-e-2010.pdf
Computers	MITEI-1-f-2010	http://web.mit.edu/ebm/www/Publications/MITEI-1-f-2010.pdf
Textiles	MITEI-1-g-2010	http://web.mit.edu/ebm/www/Publications/MITEI-1-g-2010.pdf
Tires	MITEI-1-h-2010	http://web.mit.edu/ebm/www/Publications/MITEI-1-h-2010.pdf

What about the Economics of Remanufacturing?

**Is remanufacturing economically
valuable?**

Successful Cases - Caterpillar

- Caterpillar diesel engines saved 90% of their production energy from remanufacturing
- 2+ million cores returned in 2010
- Watch Videos:
 - <http://www.youtube.com/watch?v=LVSMSbwVwjo&feature=relmfu>
 - http://www.youtube.com/watch?feature=player_embedded&v=nS_p_Nffjng
 - <http://www.youtube.com/watch?v=2XZIQOFLjXU&feature=relmfu>

Successful Cases - Xerox

In 2004 alone...

- Xerox diverted 128 million pounds of material from entering landfills through parts recycle and part reused
- From reuse alone, Xerox saved approximated 11 million therms of energy (enough energy to light more than 250,000 US homes for a year)
- Xerox remanufactured approximately 70,000 machines

•Over the past 15 years, this program has given new life to the equivalent of 2.5 million copiers, printers and multifunction systems.

Economics for the Remanufacturer

Costs:

- Core cost – often free
- Labor costs - \$15-25 per hour
 - Remanufacturing time ~ 2 hours / core
- Overhead costs ~ twice the labor costs
- Replacement parts

Revenue:

- Price of the remanufactured product = 50-70% of the price of New

Refrigerator

Costs:

- Core cost – Free
- Labor costs - \$15-25 per hour
 - Remanufacturing time ~ 2 hours / core = \$40
- Overhead costs ~ twice the labor costs = \$80
- Replacement parts = \$30

Revenue:

- Price of the remanufactured product = 50-70% of the price of New = $0.5 * 500 = \$250$

Used Core Value = \$100

Refrigerator

- Recycled material value in the refrigerator = \$20-30
- Scrap rate = fraction of appliances that are not refurbished but scrapped = 10 – 50%

If 10%, then $UCV = 10\% * \$100 = \10

➔ Cost of procurement of core < \$10

Note: Cost of procurement can be negative as well – people pay to take away their trash

Remanufacturing Summary

- Making general energy saving claims about remanufacturing is not right
- For many of the products studied, use phase dominates the life cycle energy needs
- Efficiency improvements bring convenience but reduce reman energy saving potential
- Modular designs and standardized parts can help upgrade reman product to new
 - Major efficiency improvements have required significant architecture transformation

Design Trends - passive to powered products

1. Lawn rake/blower
2. Clothes drier/line dry
3. Tooth brush
4. Typewriter/printer
5. Books/"Kindle"
6. Slide ruler/calculator
7. Kitchen mixer
8. Hair drier
9. Screw driver
10. Lawnmower

11. Snow blower
12. Board games Vs. Video games
13. Pitch fork/roto tiller
14. Hammer
15. Drill
16. Sun tanning
17. Jogging/treadmill
18. Vibrating sofa w/light and cold beverage storage!
19. Fence/electric fence/invisible fence
20. Door / automatic door opener

Remanufacturing Summary

Energy

- Savings
 - Materials Savings and saving of resources that make materials and manufacture the product
 - local sourcing – lesser transportation
 - Local jobs
- Use Phase Savings are complicated and require careful analysis
 - Efficiency trends
 - Reman product performance degradation

Economics are more favorable especially for consumer