



April 17, 2006

Mr. Bob Peoples
Executive Director
CARE
730 College Drive
Dalton GA 30720

Dear Bob:

After in-depth review and evaluation, we have decided that Tandus will no longer be a participant in CARE.

We believe that the net effect of CARE has been to delay progress in recycling carpet into carpet. We don't contend that diverting carpet from landfills by recycling it into carpet is the only solution to reaching the goals of the Memorandum of Understanding (MOU) adopted in 2002, but it should be an important component.

While government representatives to CARE have fully lived up to their promises made in developing the MOU, and involvement with them has been the highlight of the program for me, the structure of CARE is such that it cannot take any action unless the majority of the carpet industry favors that action. This has worked well for the carpet industry, but it has not served CARE, or the environment, well.

The issue of recycling carpet into carpet is a prime example. Although CARE has the responsibility of developing procurement guidelines that would promote the purchase of products manufactured with recovered carpet, the majority of the carpet industry has steadfastly opposed guidelines that would specifically encourage the procurement of carpet made from recovered carpet. Industry objections to these guidelines have been under the totally spurious premise that specifying carpet made from recycled content carpet would be at the detriment of other environmental criteria. On the contrary, it is well documented that the currently available carpets made from recovered carpet are the most environmentally preferable available in the marketplace.

Some in industry have also claimed that there is insufficient availability of recycled content carpet for the proposed guidelines to be met, while many of those opposed advertise publicly that they have an abundance of products meeting those same guidelines. CARE has done nothing to reconcile these conflicting and self contradictory positions.

The premise of CARE was that we would work together to achieve a mutually agreed upon goal - 40% diversion of carpet from landfills in ten years. It has been disheartening to see government efforts put "on hold" pending anticipated CARE actions, based on trust in industry promises. We fear this trust is now compromised.

While there are other issues that we feel have kept CARE from realizing its promise, such as an overemphasis on Waste to Energy, it is the steadfast inability of CARE to support programs that would encourage the industry to take primary responsibility for diversion of its own products that finally led us to our decision.

Bob, when you became CARE's Executive Director, it was my opinion that if CARE had a chance to succeed, it would be because of your leadership. I still feel that way. I don't think anyone could have accomplished more than you have in your position. I fear, however, that unless the decision making process is changed, CARE cannot live up to its promise and the commitments made in the MOU. I hope it does.

Sincerely,

Dobbin Callahan
General Manager, Government Markets
Tandus US, Inc.