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Bill would reserve drop-off bins for charities

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Mark Boyd believes nonprofit groups such as Goodwill Industries and The Salvation Army are under attack by the scores of clothing donation bins appearing in gas station, drugstore and strip-mall parking lots.

The bins advertise such organizations as the Multiple Sclerosis Association of America, Childhood Leukemia Foundation and DARE of New Jersey.

But Boyd, president of Goodwill's South Jersey chapter, said research his group has done over the past year shows many of the bin owners are for-profit companies. They give a small contribution to the nonprofit listed on the bin, yet keep most of the money when they sell the clothes by the pound, primarily to overseas buyers, Boyd said.

"The majority of these boxes are not for a charitable cause," he said. "They are run by for-profit organizations trying to masquerade themselves as charitable organizations."

Boyd's assertions caught the attention of three South Jersey lawmakers -- Assemblywoman Nilsa Cruz-Perez, a Democrat from Camden who chairs the consumer affairs committee, and Assemblymen Paul Moriarty, D-Washington Township, and David Mayer, D-Gloucester Township.

They're sponsoring a bill that would require all clothing donation bins to be owned by a charitable organization registered with the state.

The measure would require the groups to submit additional reporting and consumer disclosure information. Also, it would let a municipality remove an illegal bin at the expense of its owner.

The bill, which has companion legislation in the state Senate, could come up for a vote this week.

"Businesses have sprung up to make money on our excesses," Moriarty said. "It's just an out-of-control industry and that's really what it is, an industry."

He recalled reading a story a few years ago in The New York Times Magazine that tracked how one woman's donated University of Pennsylvania T-shirt made its way from a thrift shop's basement to a used-clothing broker to several used-clothing businesses in Uganda to the hands of an elderly man named Yusuf Mama, who bought it for \$1.20.

"When I came into office, I remembered this and I saw these bins everywhere," said Moriarty, also mayor of Washington Township. "I started paying more attention to what these bins said."

Some of them such as the red U'SAgain bins state they are part of a clothing recycling business. Others feature a nonprofit organization's logo and, in small print, say the owner of the unit makes a guaranteed yearly royalty payment to that organization while all proceeds go to the bin's owner.

Nonprofit groups working with for-profit companies say much good comes from such partnerships.

For example, the Cherry Hill-based Multiple Sclerosis Association uses the average \$50,000 it receives each year to buy things such as wheelchairs, said Neal Zoren, the organization's direct marketing director. It has partnered with Worldwide Recycling of Conshohocken, Pa., for five years and has posted a disclaimer on each of the 75 donation bins that features its name and logo, Zoren said.

"This does raise decent dollars for us," he said. "It's a charity raising money for a good cause."

If the bill were to become law, it would be detrimental to the mission of the New Jersey Association of School Resource Officers, said Robert Tessaro, the group's outreach director.

The association has used the \$700 it gets per bin from American Recycling Technology of Hackensack to train hundreds of police officers to work in the state's public schools as law enforcers, educators, counselors and mediators, Tessaro said.

"We have a very good working relationship with American Recycling Technology," he said. "They understand what our organization is about."

Goodwill Industries of Southern New Jersey also sells some of the \$12 million worth of thrift it collects annually to for-profit companies, Boyd said.

The difference is, Goodwill only sells material it can't turn over, even after steep discounts, in its own local thrift stores. About 90 percent of the money raised in its operation goes into the local communities to help disabled and disadvantaged people find and train for jobs, Boyd said.

Boyd has heard the arguments but doesn't intend to back down. Neither does Moriarty.

"The bottom line is these bins take away from organizations that are doing good things in the local community," Moriarty said.

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