



## **Organic Growth**

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# What We Do

- Exploring ways to increase value from materials we manage
- Additionally addressing the “segmentation of materials”
  - Started with the traditional commodities - aluminum, paper, plastic
  - Now entails lamps, asphalt shingles, C&D waste, organics, and other streams



# The Approach

- Three basic investment strategies
  - Direct equity investment
  - Acquisition
  - Internal development



# What We Look For

- Four areas of concentration
  - Energy
  - Recycling technologies
  - Conversion technologies
  - Consumer-facing technologies



# Typical Investment Characteristics

- Average investment size has been approximately \$8.0 million for investments we have made
- Returns anticipated to be at least equal to if not better than the WM portfolio
- Maturity/Commercialization – 1-4 years



# **Selected Investments**





# Bagster “Buy – Fill – Gone”

- Acquisition of a “new” disposal platform
- First retail presence for WM
- Late 2009 pilot in 10 cities
- National rollout in Spring 2010



# Video





# Bagster Economic Model

- Assumptions:
  - 3,000 retail locations
  - 5 bags per store per week
  - Average revenue per bag \$128.95  
(\$29.95 retail plus \$99.00 average pickup)

**= up to \$100 million**



# GreenOps

- All internally developed
- Unique consolidation of a digital platform and a physical presence to induce consumer recycling
- Developed the Greenopolis website, the GreenOps Ecostation and Think Green Rewards into an integrated solution for the recapture of material
- Nestle / Whole Foods rollout
- Large consumer product company



# Video



# GreenOps Model

- Company pays for machine sponsorship
- Typically branded with Company and WM
- Material collected is sold and/or processed
- Additional revenue for license fees, promotions, placements in the digital space or on the rewards platform and the commodities

# High Mountain Fuels

- Equity investment
- Partnership with Linde North America
- Largest LFG-LNG plant currently
- LNG supplies West Coast Fleet





# Big Belly Solar

- Equity investment
- WM branded solar powered compactors being sold by WM sales force
- Unique solar technology for compaction of waste





# LampTracker

- Initial acquisition of business with two follow-on acquisitions
- Positioned WM to be the leader in the recapture of fluorescent bulbs with an expandable system that can add batteries and other types of materials



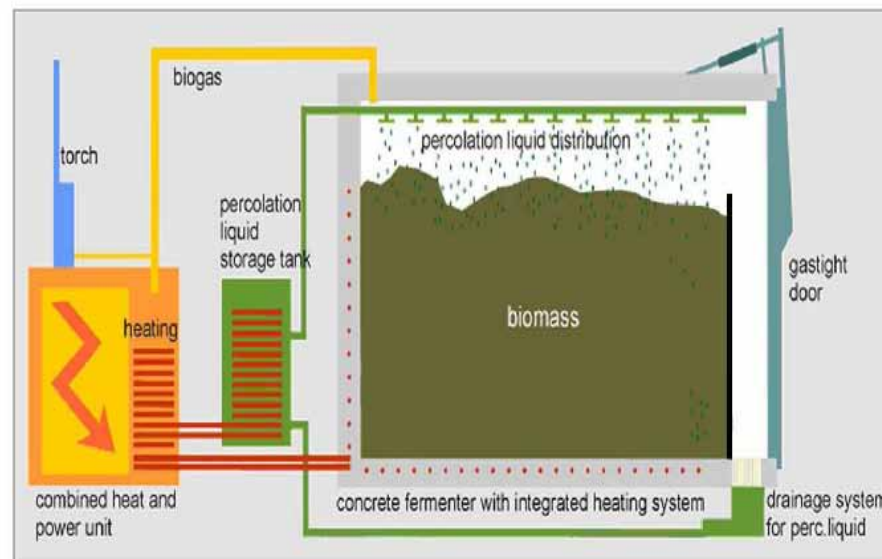
# Organics

- Definition
  - Currently comprises approximately 30% of the materials stream
  - 20 states have some form of prohibition regarding the disposal of organics in landfills
  - Imperative that WM maintains control of this material
  - Developing a portfolio of technologies and solutions to capture higher value from this material
    - » Harvest Power
    - » Terrabon
    - » Enerkem
    - » Algae Treatment

# Harvest Power

- Equity investment in a start-up company alongside Kleiner Perkins and Munich Venture Partners
- A combination of composting and anaerobic digestion technologies
- The focus of the model is the capture of methane for energy
- This is one component of the organic solution for our customers
- WM reserves the right to provide feedstocks and co-invest on developmental projects

## The Process



# Terrabon

- Equity investment along with Valero Energy
- Technology to convert organics into a proprietary “green gasoline”
- WM has first offer to supply organics and invest in future projects
- Valero will market the off-take





