

Steel ready to throw its weight around and roll over lead market

NEW YORK — Look out lead—steel may be poised to take a growing chunk out of the vehicle wheel weight market.

Lead wheel balancing weights in the United States could gradually be replaced with steel and zinc following a recent settlement between Chrysler LLC, several parts suppliers and a California environmental organization.

The Oakland, Calif.-based Center for Environmental Health (CEH) said that the Auburn Hills, Mich.-based automaker and the three largest producers of lead wheel balancing weights have agreed to end the use of

lead weights in the state by 2009. The group, which took legal action against Chrysler and the wheel weight suppliers last August, heralded the agreement as the first legally binding requirement to phase out lead wheel weights in the United States.

"We are pleased that the court has approved settlement of this matter so that we can move forward with our aggressive plans to eliminate the use of lead wheel weights in our products," a Chrysler spokesman said. "Going forward, all products sold by Chrysler throughout the world will use alternative materials for wheel weights."

Most new cars come with two weights on each wheel. The weights help prevent vibration, which extends tire life.

CEH alleges that lead wheel weights cause 500,000 pounds of the toxic metal to be released into California every year. "Wheel weights have been identified as the largest new route of lead release into the environment," Michael Green, the group's executive director, said in a statement.

Citing statistics from the U.S. Geological Survey, the CEH said that 65,000 tons of lead wheel weights are used in cars and trucks in the United States and that roughly 3 percent of them fall off. But manufacturers said that many of the weights that fall off are ones that have been reused, and that new weights are made to withstand the rigors of the road without coming loose.

By the end of August, Chrysler said it hopes to equip

all of the cars and trucks it makes with wheel weights made from alternate materials. The automaker boasted that it is more than three years ahead of a deadline for eliminating lead wheel weights in the United States under a voluntary agreement with the Environmental Protection Agency.

Other states likely will follow California's move, wheel weight producers and environmental groups agreed. For producers, that means devoting more capacity to weights made from alternative metals—and steel seems to be the material of choice in many cases.

Many lead wheel weight manufacturers also make their products in steel and zinc, but switching to steel is costly because while lead and zinc are made from a die-casting process, steel weights are stamped—and that means investing millions in development and retooling, wheel weight manu-

facturers said. The recent dramatic spike in steel prices hasn't made the switch any easier to swallow.

"It's not like this will kill our business. What it is is a big transition from a tooling standpoint. It's like turning a battleship around," said Michael Astorino, president of LaVergne, Tenn.-based Perfect Equipment Inc., one of the wheel weight makers involved in the settlement. "Steel is the obvious winner because it's slightly more dense. Up until recently, it was actually more cost effective."

Environmental groups heralded the deal. "This settlement represents the beginning of the end for lead wheel balancing weights in the U.S.," said Jeff Gearhart, research director at the Ecology Center, Ann Arbor, Mich. "We fully expect dozens of states to follow California's leadership."

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NEWS BRIEFS

Although energy costs have hit supply chains hard, they could benefit transportation and logistics information (T&L) companies by encouraging them to squeeze more efficiency and long-term sustainability from their distribution networks, according to a recent report. A survey by London-based T&L and conference service company EyeforTransport of 892 T&L companies worldwide on the impact of high fuel prices on the logistics industry showed that more logistics firms are