




3 Key Factors That Influence Revenue From Demolition or Boneyard Scrap Metal Collection



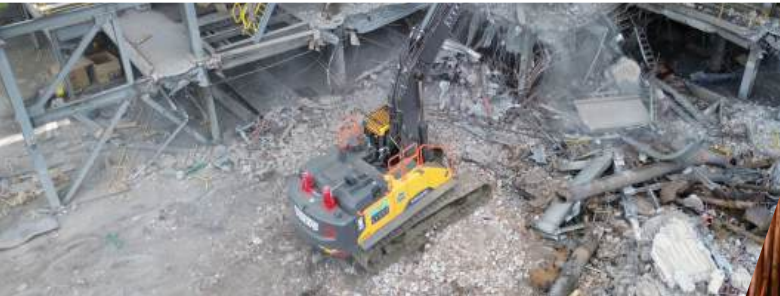
Maximizing Scrap Recovery Value from Your Site

There are plenty of reasons to upgrade or demolish facilities: new technologies, changes in location, aging infrastructure. Though the infrastructure may be old, it still retains a great deal of value.

This guide breaks down three key factors that directly influence your net revenue from demolition and scrap metal collection, giving you insights that will help optimize profitability in your projects.



Ferrous scrap is the most recycled material worldwide. It is exported to 70 countries globally and generates about \$5 billion in export sales.



Ferrous Metals

Ferrous metals—like steel and iron—are often found in structural beams and account for most of the scrap volume from sites.

Ferrous metals tend to demand a lower price and are typically purchased by the ton.

Non Ferrous Metals

More conductive metals—such as copper, aluminum, and brass—that are often used in wiring, motors, HVAC systems, and machinery.

Non-ferrous metals are more valuable and are purchased by the pound.

Go Straight To The Mill

Our integrated mill at NUCOR, located in Seattle, WA, enables us to bypass intermediaries or other demolition contractors who would typically then sell to a recycler like us, producing a higher return on your scrap metal.



Richmond Steel is able to return approximately 10% - 20% more per ton of ferrous scrap than 'pure play' demolition companies - depending on a project's complexity.

The 3 Forces Affecting Net Recovery Value From Your Site's Scrap Metal

Metals on site, market prices and logistics all influence how much you get paid out from a demolition or metal collection project. Here's how..



KEY 1:

Metals On Site

Identifying and accurately valuing the metals on-site is the first step to maximizing revenue from any demolition project. Almost all ferrous and non-ferrous metals can be salvaged—and it almost always makes financial and environmental sense.

Estimated Tonnage

Accurate tonnage estimates of ferrous and non-ferrous metals are essential for profitability. A thorough site survey and historical data help refine these estimates.

Non-Ferrous Metal Quantities

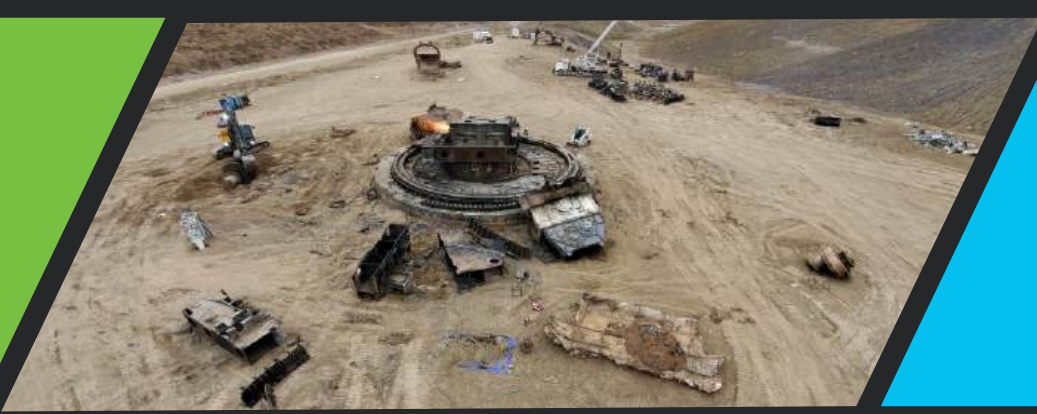
Non-ferrous metals like copper and aluminum are more valuable than steel, with even small amounts boosting revenue.

Structure Complexity

More complex structures increase recovery costs, while simpler ones allow faster, more efficient metal extraction.

Equipment Liquidation

Machinery and equipment—like generators and motors—often hold resale value and can add revenue when resold. (Risk-adjusted valuations should be included in proposals.)



Meticulous demolition and metal recovery from a dragline excavator



KEY 2: Market Prices

A variety of factors affect scrap metal prices, especially the evershifting global supply and demand. Consider these major factors:

COMEX Daily Prices

Prices are set daily by the COMEX (Commodity Exchange) and other market indices, reflecting supply, demand, and global economic conditions.

Stockpile Levels

Countries like China and India stockpile scrap metal, releasing it when prices are high, which can flood the market and lower values.

Exchange Rates

When companies like Richmond Steel export most of their scrap metal to the USA, a strong U.S. dollar benefits Canadian exports. These companies should also be employing a hedging strategy to protect from currency fluctuation.

Tariffs & Oil Prices

Trade tariffs between the U.S. and China can reduce global metal demand, lowering scrap prices. Similarly, high oil prices raise transportation costs, reducing scrap value, while lower oil prices boost demand.



Our Field Services team designs the most optimal logistics plan for every mobilization. This may include shipping scrap to alternate mills, if it pays better for you.



KEY 3: Logistics

Efficient logistics are crucial for maximizing profits in scrap metal recovery. Proximity to ports and key transport hubs—like Richmond Steel Recycling’s location on the Fraser River—reduces transport costs and drastically affects net revenue.

Proximity to Nearest Mill

The closer a demolition site is to a steel mill or recycling facility, the lower the transportation costs, which improves profitability.

Rail Siding Access

Having access to a rail siding near the site can significantly reduce transport costs compared to long-haul trucking. Rail provides a more cost-effective way to move bulk scrap over long distances.

Barge vs. Trailer For Drayage

Shipping scrap by barge is often more cost-efficient than by trailer or rail. Barges can carry larger loads, reducing per-ton shipping costs, whereas trailers are required for short hauls or locations without water or rail access.

We have 50+ years of scrap metal experience. Our yards have recycled 1,800,000+ metric tons during the last decade alone.

Oil & Gas • Mining • Utilities • Pulp & Paper



Big Green Gains

Recycling metal boosts revenue, but it's also a significant win for the environment:

Producing new steel from ferrous scrap requires 60% less energy than using virgin materials and cuts CO2 emissions by 58%

Industrial Scrap Metal Recovery Experts

Richmond Steel's Field Services Division is supported by on-staff engineers and a dedicated project manager for every mobilization. Our crews are experienced demolishing a wide variety of specialized industrial structures.

Contact us today to discuss your on-site recovery needs and discover how we can help you get the most from your facilities or equipment.



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