

Ga. recycler sees growth from thrifty processors

By Mike Verespej | PLASTICS NEWS STAFF
Posted February 23, 2010

DULUTH, GA. (Feb. 23, 11:35 a.m. ET) -- While the manufacturing downturn has hit some industrial plastics recyclers hard, U.S. Plastics Recovery is not only surviving — but has more than tripled its business.

In the last eight months, U.S. Plastics has moved into a bigger plant — one that is more than twice the size of its original facility, added a Vecoplan 46-inch industrial shredder and is in the process of adding an even larger shredder, which it expects to have operational by April 1.

“Having this piece of equipment opens up opportunities we might have had to pass on before,” said Steve Hogan, vice president of sales and marketing and one of the co-founders of the company formed less than four years ago.

He said the Duluth-based company had been looking at purchasing a new 52-inch Vecoplan shredder, but now is weighing whether to purchase a refurbished single-cutter Vecoplan 52-inch shredder or a refurbished double-cutter 52-inch shredder from Republic Services Inc.

Hogan said he expects regardless of which shredder the company ultimately decides to purchase, it will push U.S. Plastics’ recycling capacity from 1 million to at least 1.7 million lbs. — which would be four times as high as the company’s capacity just 18 months ago when the downturn hit all plastics recycling markets.

That is also a quantum leap from May 2006, when the company started operations in a leased 20,000 square foot building with one Rapid 2040 granulator and one baler.

“We have tripled our sales in the last eight months,” Hogan said. “Like most companies, we were struggling to keep everything going for several months when the market fell. But about a year ago things picked up because we were able to land some customers who’s been left high and dry” by the companies they previously had dealt with.

With business increasing quickly, U.S. Plastics moved into a new 50,000 square foot facility in June and shortly after that purchased a 46-inch Vecoplan shredder with a 600,000 lb. capacity.

U.S. Plastics recycles the majority of its plastics from automotive and pharmaceutical companies in the Southeast and also recycles linear low density polyethylene stretch film from distributors. It recycles more than a dozen types of plastics, as well as plastic, paper and metal laminates, but the majority of the plastics it recycles are polypropylene, high density PE and PVC.

“We can usually save companies up to 50 percent on their raw material costs” by supplying them with recycled flake, Hogan said. “During tough times, that means a lot to companies.”

“As we grow, my plan is to keep expanding and to buy other pieces of equipment to process the material,” said Hogan. “We do a lot of toll grinding, so maybe down the road, we might decide to make pellets.”