



Repsco Move to Modesto via CalRecycle Grant & Loan

Paul Bennett & Dru Harvey
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Background

- ▶ Founded in 1971
- ▶ Current ownership in place since 1998
- ▶ Small business, veteran-owned, in good standing
- ▶ Manufacturer's of plastic slipsheets made from 100% recycled plastic

How Did We End Up In California??

- ▶ Strictly due to grant/loan. Without it, we do not move to CA and do not hire, etc.
- ▶ Applied for grant
- ▶ Awarded grant
- ▶ Decision to accept the grant once funded
 - ▶ Combined with loan

Attractiveness of Relocating to California

- ▶ **Pro-Recycling culture**
 - ▶ Emphasis to create jobs in CA by keeping CA scrap plastic in CA to process rather than export to China
- ▶ Possible incentives from State and Local entities to help grow and expand business
- ▶ Closer to raw material source
- ▶ Closer to customer base
- ▶ Closer to shipping ports

Riverbank Industrial Complex

Riverbank, California



What Did We Accomplish With Grant/Loan??

▶ Purchase of Production Equipment

- ▶ Roll stand
- ▶ Co-extruder
- ▶ Pull rolls
- ▶ Corfine rotary die cutter
- ▶ Screen changer / melt pump
- ▶ Material handling equipment

▶ Infrastructure

- ▶ Electrical
- ▶ Plumbing

Challenges

- ▶ **Cash flow**
 - ▶ Rent
 - ▶ Utilities
 - ▶ Payroll
 - ▶ Moving of equipment
 - ▶ Travel
- ▶ **Site selection**
- ▶ **Permitting**
- ▶ **Local contractors**
- ▶ **Suppliers**
- ▶ **Time**

Suggestions

▶ Grant

- ▶ Treat like loan so businesses are not out of money ahead of time and waiting reimbursements
 - ▶ Puts strain on company
 - ▶ Delays timing

▶ Preference:

- ▶ Invoice is submitted to CalRecycle
- ▶ CalRecycle sends approval to escrow company
- ▶ Escrow company pays vendor

▶ Other Resources Available to grant recipient

- ▶ Agencies, departments, etc. available to help facilitate move, workforce, permitting, etc.

What Do We Manufacture??

Manufacture plastic slipsheets from 100%
Recycled (#2) polyethylene plastic.

(Preferably all from companies based in California)

Slipsheets are used as a shipping platform
Alternative to a wooden pallet

1000 slipsheets versus 20 pallets



How It Works



Push/Pull Unit



Push/Pull Unit



Feedstock Material

Post-Consumer
Milk Jugs



Feedstock Material

Post-Consumer
Misc Beverage Containers,
Detergent Bottles,
etc.



Feedstock Material

Post-Industrial
Drums and Containers

Repsco processes
about 800,000
pounds per month
of recycled plastic.



Benefits

- ▶ Less costly than wooden pallets
- ▶ Takes up less space
- ▶ Allows for better cube utilization in truck/container/rail car
 - ▶ Fewer vehicles on the road, less carbon footprint
- ▶ Eliminates deforestation
- ▶ Requires less handling
- ▶ More easily recyclable

What Others Are Saying

"A lot of people don't believe that packaging has value. Until we can turn that notion on its head, people won't think it's worth it to recycle."

Plastics Recycling, Special Report, May 21, 2012

Gail Tavill

Vice President – Sustainable Development

ConAgra Foods



Challenge To California

- ▶ Consider favoring closed-loop systems where sustainable packaging products, ie. plastic slipsheets, can be recovered and made into another product.....slipsheets or otherwise.
- ▶ Current project with medical products company
 - ▶ Eliminate purchase of 500,000 pallets annually in CA
 - ▶ Initial cost reduction \$6 to \$1.25 per unit (est)
 - ▶ Ability to recapture sheets from 30 DC's around country
 - ▶ Remanufacture sheets for 40% less than original sheet cost

What Can We Offer To California Beverage Container Recycling Stakeholders??

▶ **Cost-Savings**

- ▶ Prison System
- ▶ School System
 - ▶ Pre-school thru Universities
- ▶ Hospitals - Healthcare
- ▶ Admin office supplies
- ▶ **Environmentally Sustainable / 100% Recyclable Product**

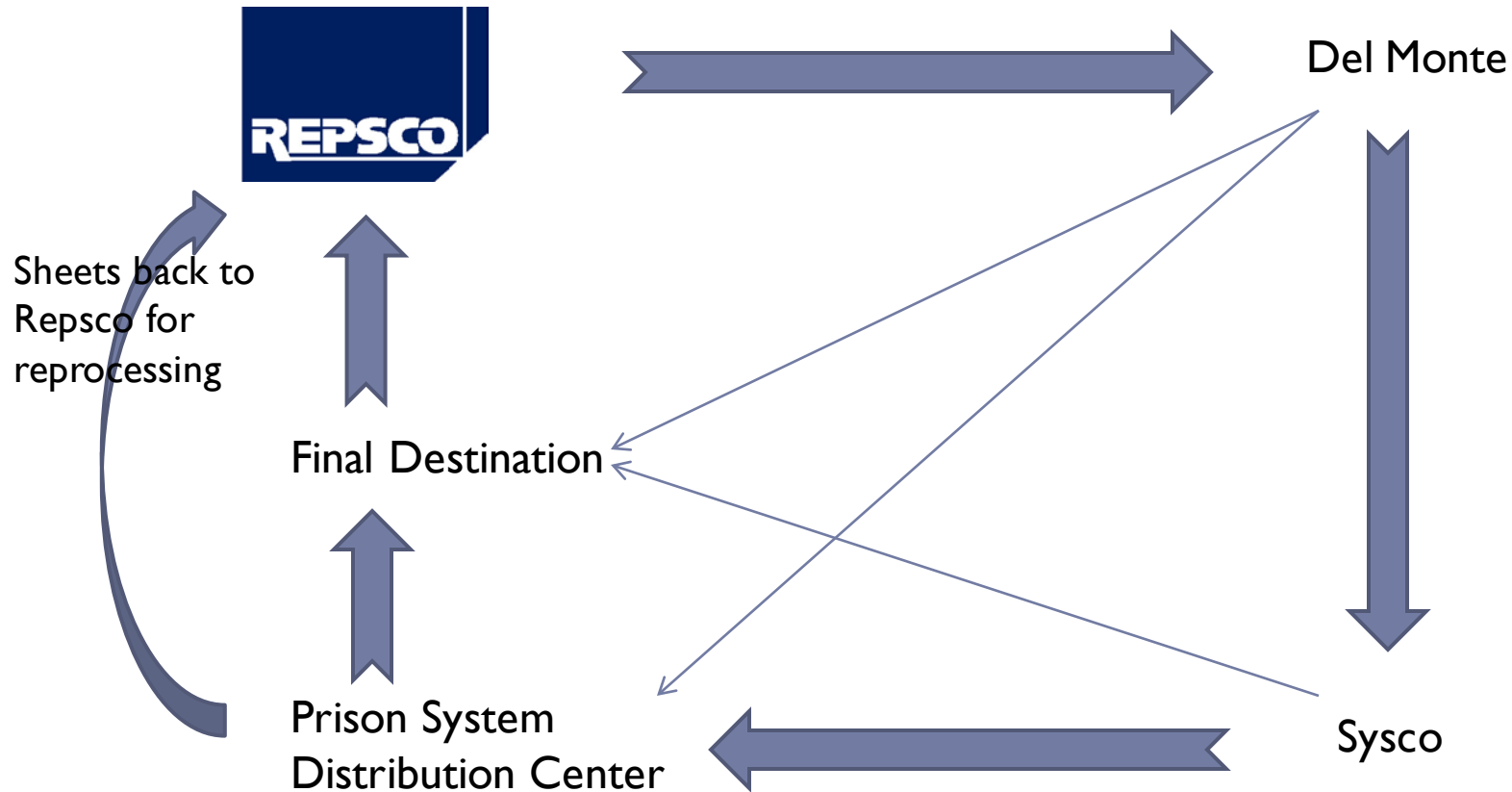
How??

- ▶ Implementation of Slipsheets Into Supply Chain
 - ▶ Eliminate pallets
 - ▶ Ship fuller trucks.....thus fewer trucks
 - Fewer pallets made (reduce deforestation)
 - Fewer trucks means reduced emissions
 - Less handling means more efficiency, fewer man hours, fewer fork lift hours
 - ▶ Recycle slipsheet at end of useful life
 - ▶ Keep product out of landfill
 - Eliminate Waste
 - Buy-back used sheets to be made into new sheets again

ie. Dell Computer, Home Depot

How Does It Work??

Closed Loop Recapture Program



Opportunity To Become More Environmentally Responsible



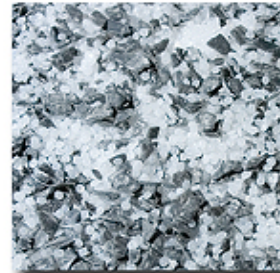
- ▶ Reduce deforestation to make pallets
- ▶ Reduce what's being sent to landfills

Think Economically Think Environmentally

Grind



Reclaim



Blend



Extrude

Repsco Contact Information

Repsco Inc.

5300 Claus Road; Building 2, Suite 3

Modesto, CA 95357

Paul Bennett

President

888-737-7261 x 101

pbennett@repsco.com

Shawn Byrne

Director of Sales

C: 303-882-8639

sbyrne@repsco.com

Dru Harvey

CFO

888-737-7261 x 105

dh Harvey@repsco.com

Steve Faries

CA Sales Rep

C: 209-596-6609

sfaries@repsco.com