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Trash Bags Are LEED Treasure For Delta Plastics

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DELTA PLASTICS OF THE South LLC has worked for 15 years to build a corporate legacy of turning waste into fiscal treasure. The Little Rock manufacturing concern stepped up that effort with the launch of its Revolution Bag subsidiary.

2011 marks the initial year of production for the green venture, touted as the first company to provide a complete line of EPA-compliant trash can liners. Revolution Bag's line of trash bags is made from recycled polyethylene goods collected by its parent company.

"We target large consumers looking for LEED points and tax credits, such as universities and schools," said Dhu Thompson, president of Delta Plastics. "Everything we make is EPA-compliant."

The recycled material is most often poly pipe irrigation tubing made by Delta Plastics and used in row-crop fields. The collapsible conduit, sold in quarter-mile sections, is deployed each growing season by farmers and collected after the harvest.

Delta Plastics operates 20 specially equipped tractor-trailers that travel to hundreds of rural pick-up points across the region to load up the used poly products and haul the material back to its 27,000-SF Stuttgart plant for recycling.

Last year, the company gathered more than 101.3 million pounds for reprocessing. Arkansas alone account-ed for more than 59 million pounds of that total, a figure that represents 88 percent of all plastic recycled in the state.

In 2007, Delta Plastics expanded its recycling collections beyond poly pipe. Hefty rolls of greenhouse film from Tennessee, drip tape from south Texas vegetable farms and pit liner from the Fayetteville Shale fields also are now converted to pellets of post-consumer resin.

That resin is transported from Stuttgart to the Little Rock plant, where it is transformed into trash bags. Combined, the two facilities employ 150.



Dhu Thompson, president of Delta Plastics, at the company's Little Rock plant.

"We used to just sell the pellets," said Dean Stone, manager of recycling collections in Stuttgart. "Now we're making our own bags, and man, they are some good bags."

Wes Kirkpatrick, Desha County extension agent-staff chair in McGehee, said poly pipe had become commonplace on farms across the nation as the product gained more acceptance over the years.

"Once it hit the market, it made things easier," Kirkpatrick said. "Hard pipe was bulky and cumbersome and labor intensive to install with all the sections and joints.

"You very rarely see much hard pipe, which can handle greater water pressure. But the advantages of poly pipe far outweigh its shortcomings."

Delta Plastics soon will unveil a pipe planner software package to help farmers configure the most efficient irrigation system for their fields.

"It will come to market next year," Thompson said.

The proliferation of poly pipe and related products creates a

regenerating supply of material for recycling each year. Producing new poly pipe and recycling it was the idea that gave rise to Delta Plastics.

"It was becoming more and more of an environmental issue," Thompson said. "Farmers were burning it or burying it to get rid of it."

Recycling was a foundational component of the business plan for Delta Plastics. As part of its product support, the company collects the poly pipe at no charge, so farmers don't have to deal with disposal.

Making It Work

Mastering the efficiencies of collecting, cleaning and reprocessing the material into new product has been a historical test for the company's bottom line.

The venture, founded in Stuttgart as Arkansas Plastics Recyclers Inc. in 1992 and renamed Delta Poly Plastics Inc. in 1995, was on the brink of insolvency before Thompson entered the picture in 1996.

"Figuring out the wash system is what ate the predecessor's

lunch," the 58-year-old executive said. "The better we get at the efficiencies, the better the gross margin."

Finding a cost-effective way to remove caked-on soil and vegetable matter from the poly pipe after months in the field remained the big problem for Thompson to overcome to make the recycling component profitable.

Delta Plastics lost \$1.4 million during his first 12 months at the helm and \$500,000 the second before taming the recycling beast.

"That was the challenge to it, cleaning the material enough to make it financially doable," Thompson said.

Today, the company's sophisticated cleaning system is a blend of European technology combined with repurposed equipment modified through in-house tinkering and experimentation.

The old poly products are fed into a series of guillotines and shredders, cleaned, remelted and re-extruded into pellets for use in Revolution Bag. The seemingly endless stream of trash bag production in Little Rock, fed by the recycled resin from Stuttgart, operates 24/7 alongside a similar line of poly pipe, fed by hopper rail cars loaded with virgin resin.

The company acquired the 125,000-SF plant, originally developed by Vinyl Building Products, for \$3.3 million in 2009, and new equipment boosted the investment to more than double that.

Jay Wisener, executive vice president of Arkansas Capital Corp., said Delta Plastics ought to appear as an entry in the dictionary under the heading "successful turnaround project."

"Delta Plastics and Dhu Thompson and his family deserve accolades for what they have done for the state, both economically and from an environmental standpoint," said Wisener, executive vice president of Arkansas Capital Corp. "You won't find a better corporate citizen." ■