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Transforming HISTORY

Quincy Recycle, Quincy, Ill., gains traction with partnerships and customer-driven programs.

by meg thornton

Transforming HISTORY

Quincy Recycle, Quincy, Ill., gains traction with partnerships and customer-driven programs.

“We’re just getting started” is a curious way for Bryan Stokes, president of Quincy Recycle Inc., to describe a company with 40-odd years in the commercial recycling business. Considering the challenges that Quincy Recycle has overcome, the point is well-taken. Bryan can barely contain his enthusiasm, adding, “Our growth opportunities in serving customer demands are tremendous, and we have a passionate commitment to partnerships.” Those words speak to Quincy’s powers of re-invention, too.

The solidly Midwestern roots of Quincy Recycle, based in the historic Mississippi River town of Quincy, Ill., date back to the early 1970s. Keith Stokes, Bryan’s father, was hired in 1974 by an absentee owner to manage the struggling company. Using his operations expertise, Keith pulled the company out of debt and eventually purchased the business in 1976.

At that time, Quincy Recycle served customers within a 100-mile radius from one facility, venturing as far south as St. Louis. However, servicing box manufacturers in the local area made up the bulk of Quincy’s customer base.

Bryan grew up working in the family business and says, “I saw firsthand that survival required a great operations guy, in this case, my father.”

A key piece of Quincy’s business portfolio dates from those early days. In 1978, Charlie Stuedle was hired away from PCA (Packaging Corp. of America) to provide “a really important introduction to the brokerage business model and to jump-start Quincy’s North American Brokerage Services,” Bryan says.

Living with a bird’s eye view of the recycling industry from 1976 to 1995 has given Bryan a historical perspective. “The challenges were much different and far greater for owners like my dad, particularly in the late ’70s to early ’80s. Pricing was low, and stayed low. It really wasn’t until the mid-1990s that the tide began to turn, and supply and demand became more global with the opening of markets in Asia. In the period 1994 to 1995, there was a surge in demand—more uses were being found for recycled materials—and that lifted everybody’s boat. But it’s essential to understand that collection will always far exceed demand

in this country,” Bryan says, “and we really need the markets in China, India and Mexico.”

THE FORCE OF EVENTS

As it turned out, Bryan would have to rely on both his wits and the knowledge he accumulated throughout the years to tackle adversity head-on. Six months after he purchased the company from his father in 1997, a devastating event changed Quincy’s fortunes almost overnight. “Smurfit closed its paper mill in Alton, Ill., wiping out 60 percent of our business [on the sell side]—that’s when the need for survival kicks in, and you learn what your business can become,” he says.

Quincy rapidly transformed from “a company that packed a few paper grades to a diversified enterprise that was forced into new markets and new commodities,” Bryan says. “We were compelled to adapt—expand our customer base, invest in new marketing and develop relationships with new paper mills—or literally die. We really had to examine our core values and our ‘partnership model’ as a result of that process.”

Quincy’s original plant sought out and won municipal contracts and remains to this day the only company facility that processes residential material.

Diversification also took the form of an expanded geographic scope. “Truly serving communities of customers became a goal for us going forward,” Bryan says. Quincy began to look for “anchor accounts” in areas with short-haul access to paper mills and export ramps and to markets where, in Bryan’s words, “there was a void in commercial recycling services.”

A REDEFINED IDENTITY

With the new millennium, Quincy Recycle’s fresh identity was gelling, and team building was paramount. “We recognized the strength of our B2B recycling services and we needed talent in the area of operations to support our growth,” Bryan says.

In 2000, Jerrod Evans was hired to take control of operations. His role with the company soon morphed into sales and marketing. “He’s really gifted in that area,” Bryan adds. Jerrod

focused on the material brokerage side of the business, which now accounts for 60 percent of Quincy's total volume. Jerrod manages and leads the sales and procurement teams at each of Quincy's locations.

Quincy's executive team acquired another key player in 2003, when Kurt McLaughlin, a Chicago native with a commercial insurance background, joined the company to open the Chicago market. Kurt eventually led the startup of Quincy's Alsip, Ill., plant, handling everything from identifying the right property to staffing the facility. He also was tasked with managing customer service and national accounts.

TECHNOLOGY AND COMPETITIVENESS

Shredding technology became a strategic tool for Quincy Recycle after a small supplier came to the company in 2001 with a destruction need. "This customer demand was a wake-up call for us," Bryan says. "In order to secure more sought-after material, we were going to have to handle the challenging stuff or leave opportunities on the table," Bryan continues, "and this was a defining insight for Quincy."

The company began to research shredder options in 2001 and settled on single-shaft technology, because, as Bryan puts it, "we were looking for versatility—the ability to process diverse materials more efficiently, with more flexible sizing and more relative throughput—and we also judged it a safer choice."

Quincy was ready to upgrade its shredding technology by 2003.

After recognizing the proximity of its Illinois manufacturing facility, Quincy contacted and subsequently toured Cresswood Shredding Machinery in



Quincy Recycle operates three plants in the Midwest.

Cortland. "Our shredding applications required a wide range of product destruction capabilities, and we needed to maximize output vs. horsepower with a durable machine to meet our operations requirements," Bryan says.

Quincy Recycle began designing custom service offerings around its shredding capabilities after taking delivery of the company's first Cresswood "Destroyer" Shredder, an HF-7860-100, in 2003. "An ongoing project here at Quincy is to really listen to our material vendors and to provide the value that they want and need," Bryan says. "Quality of output and uniformity of particle sizes are essential for our markets, and we also wanted to optimize our loads and drive out costs by densifying bales."

As Quincy became more driven by customer demands, it was "no longer optional to have a shredder; it's a mandatory part of our business," Bryan says. To secure service opportunities with printing and manufacturing operations, Quincy must handle paper cores. "For a major account, we shred cores that are 2 feet in diameter and 6 feet long with the Cresswood," he says.

Books are another "challenging" source of material. "No two commodities run through a machine at the same rate," he explains. "Take books for example—paperbacks are different from hardcover novels, which are very different from textbooks. Depending on the material that we're processing and final product size, our Cresswood shredders produce 4 to 12 tons per hour, and that capacity works for us."

CONNECTING THE DOTS

In 2006, Kurt's development of the Chi-

cago market led to the opening of Quincy's Alsip plant. Kurt says, "We were able to capitalize on increased demand for recycling services in the area, take what we had prototyped at the main facility in Quincy and build this operation 'from scratch.'" Along with two high-speed automated balers and a guillotine to cut paper rolls, Quincy also installed a Cresswood HF-7870-150 shredder at the Alsip plant.

As the pace of growth accelerated, Quincy Recycle's corporate culture evolved, and the company fine-tuned its sales efforts to meet new customer requirements. Bryan credits the concept of sustainability for changing Quincy's mindset. "It opened our minds and encouraged us to ask deeper questions; we all became better at our jobs," he says. "I can honestly say that sustainability has fueled the fire of our success and that it's hard to exaggerate the impact on Quincy's business of adopting sustainable strategies. Basically our focus is on listening to what our [suppliers] want to accomplish with sustainability and then on delivering a solution that meets their goals," Bryan says.

The Quincy team also found that the sales cycle became longer and required more patience. "Customers typically form sustainability committees representing multiple stakeholders, and our opportunities to 'get heard' and to add value are greater," Bryan says. "We are also finding that if there is a disjunction between bottom-line issues and sustainability, sustainability usually wins the day," he adds. Quincy Recycle will structure a program to meet the customer's needs.

However, Quincy has learned the hard way that if there isn't someone who



One of Quincy Recycle's Cresswood shredders is loaded with paper cores.

takes specific ownership of a program, it's difficult to achieve a successful outcome. "You've got to have an advocate on the inside who truly believes in the recycling program for it to work," Bryan says, "and even with an inside advocate, it's doing the 'little things' right that make a custom program successful."

With new growth opportunities in mind, Quincy approached Tom Krughoff, owner of Central States Fiber, Marion, Ind., purchasing the company in June 2008. Tom joined Quincy Recycle, and operations were moved to New Haven, Ind., on the outskirts of Fort Wayne, Ind., in 2010. Quincy has equipped the large warehouse facility with a new Cresswood HF-7870-150 shredder, complete with conveyor system, dust collection and a baler.

"We love northeast Indiana—the market was underserved, and with the proximity of paper mills, our transportation challenges are reduced," he says.

Among the many lessons the leadership team at Quincy Recycle has learned through decades in the recycling industry, Bryan offers: "You can't control what the commodities are worth, but you can control how you handle the material and your operational costs."


SHAPING FUTURE GROWTH

Quincy Recycle is seeking business partners who share the company's values and core beliefs. As Bryan explains "we partner with companies in different areas to meet our suppliers' needs, and these partnerships are built on a foundation of trust and mutual dedication to customer service." He adds, "We are very lucky to have informal partnerships with some really talented colleagues in the recycling industry."

Additionally, Quincy always is on the lookout for companies that may be evaluating succession plans. "Our plan is to grow through a healthy balance of acquisitions and company startups," Bryan says, adding "we have experience with integrating one acquisition and with establishing a plant from the ground up. Both avenues are attractive to us where there is a genuine need for Quincy's services."

There is no shortage of goals to motivate future growth at Quincy Recycle. "As we consider expansion plans, Jerrod, Kurt and our team look to optimize ex-

isting plants first—our three-part mantra is 'operations, customer service, sales,'" Bryan says. "As we hire new people, we want to get out of the way and let them be our driving force, and we seek to ask better questions, listen and to deliver fresh value for customers and vendors." He

adds, "At Quincy, we really are just getting started." 

The author is a business writer based in Bloomington, Ind., who submitted this feature on behalf of Cresswood Shredding Machinery, Cortland, Ill. She can be contacted at aperiome@juno.com.

PAPERGATOR: MAKING IT EASY TO BE GREEN AND GOOD

Sometimes the trick is to keep your eyes open, as Bryan Stokes of Quincy Recycle, Quincy, Ill., can attest. Always on the lookout for new green enterprises, Bryan was on a business trip to Grand Rapids, Mich., when he first saw a PaperGator® paper recycling fundraiser bin.

Investigating further, Bryan called BPV Environmental, Byron Center, Mich., founders of the regional collection program, and started a dialogue that led to a new business partner for Quincy.

The PaperGator is a fundraising platform that pays nonprofits (schools, churches, and co-ops) to collect paper products for recycling. The program is designed to encourage resource stewardship and landfill diversion and to earn funds for recycling.

Nonprofits simply have to meet attendance criteria; promote the program; and provide an easy-access, easy-service bin placement area before they can receive a check for the amount of material they collect each month.

Suitable materials include newsprint, catalogs/magazines, junk mail, phone books, office/school paper and hard and soft cover books.

Under the PaperGator program, paper is picked up on a regular schedule for shredding and processing for use in Fresh News cat litter, small animal bedding and litter, puppy litter, hydro seeding mulch, lawn care and repair products, insulation, and feedstock for other recycling applications.

The first PaperGator containers owned and serviced by Quincy were placed in the Fort Wayne, Ind., area in January and February of 2011.

"Fort Wayne and northeastern Indiana are perfect for our market rollout, with two daily newspapers and receptive nonprofits," Bryan says.

He says he has been impressed with the hands-on experience and training that BPV offered Quincy, adding that it's not often a collaborator shares the same values and has such a cool story to tell. "People love that, with minimal effort, they can earn money for their initiatives while knowing that they are contributing to the creation of earth-friendly products downstream—that's win-win community recycling for us," Bryan says.

More information on the PaperGator program can be found at www.papergatorrecycling.com.



Quincy Recycle, Inc. • 535 Maine Street
Quincy, IL 62301 • 217-224-2754

West Central IL & MO Plant • 526 South 6th
Quincy, IL 62301 • 217-224-0353

Chicagoland Plant • 12313 S Lombard Lane
Alsip, IL 60803 • 708-388-2362

NE Indiana Plant • 2210 Summit Street
New Haven, IN 46774 • 260-748-2560



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