

# De-inking HDPE Plastic Film

DeMark Inc.

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## **Executive Summary**

DeMark Inc. proposes to build a plant in Englewood, New Jersey in 2006 to process recycled plastic removing its ink deposits and restoring it to a state where it can replace virgin raw plastic. With a NPW of \$1.75 million, a pay out time of approximately 4 years, and a return of investment of 16%, DeMark Inc. proves to be a profitable company.

De-inking is not presently done in the plastic industry. The de-inked plastic has comparable quality to that of virgin resin, but is sold for a lower price, making it an ideal choice for plastic producers.

The process developed by DeMark Inc. removes ink from the surface of HDPE film. The proposed venture will be based on the collection and de-inking of 5000 tons per year of high density polyethylene film (HDPE), specifically Wal-Mart bags collected from the northeast region of the US. Based on financial data of labor costs, equipment costs, cost of raw materials, and operating costs, a net profit of \$900,000 will be generated in the first year. This is based on an assumed selling price of \$0.70 per pound of de-inked plastic pellets.

With the amount of plastic bags recycled increasing every year, there is a larger demand for recycled plastic than can be met. By de-inking high density polyethylene, the quality of recycled plastic can be improved, allowing recycled plastic to be used for uses usually reserved for virgin resin.