

Startup Manufacturer Establishes Corporate Headquarters in Delaware *MCR Awarded Loan from the State*

DOVER, Del. (June 7, 2010) – Modular Carpet Recycling is opening its first manufacturing facility in Delaware. The entrepreneurial clean technology startup manufactures high purity renewed nylon, trademarked Renewlon™, from post-consumer carpet and other waste textiles.

Governor Markell and Alan Levin, Secretary of the [Delaware Economic Development Office](#), joined Ron Simonetti, CEO and founder of MCR, to make the announcement today at a ribbon-cutting ceremony at the company's new corporate headquarters in New Castle, Del.

"MCR's plan reduces waste and creates jobs. It brings new opportunities to keep Delawareans working and new technologies to keep Delaware innovating," Markell said. "They chose to locate these jobs here for several reasons, but the most important was how we pull together to make opportunities reality."

DEDO recently awarded MCR a \$603,000 loan from the [Delaware Strategic Fund](#) for new manufacturing equipment at the site. The investment will bring approximately 30 new jobs to Delaware within three years.

"The emergence of clean technology industries is one of the most dynamic areas of the economy," said Secretary Levin. "The state's investment in MCR bonds economic and environmental goals by creating valuable manufacturing jobs for Delaware in this industry, while contributing to reducing waste in landfills."

More than five billion pounds of post-consumer carpet ends up in U.S. landfills each year, according to MCR. The nylon in the carpets, produced from crude oil and natural gas, is recoverable; however, until MCR, there has been no viable process to produce high-purity nylon. As a result, only 6 percent of waste carpet is recycled today.

Simonetti describes MCR as a "waste carpet refinery" that takes waste carpet and purifies its nylon content beyond 99+ percent. Waste nylon carpet has 40-50 percent nylon content by weight to start, mixed with a variety of other plastics, chemicals, dirt and colors. During the last three years, MCR has designed and built a pilot plant that has proven the technology and effectiveness of that "refinery" on a small scale and helped secure \$5 million of capitalization from private equity and debt sources. Today in New Castle, MCR's first commercial plant takes shape. The plant will help Simonetti realize his dream - an economical, ecological, and profitable enterprise that solves a critical environmental problem with waste carpet disposal.

"Delaware is a great place for us to build our initial facility and headquarters," Simonetti said. "We found a talented chemical manufacturing workforce here, combined with an excellent stand-alone site at a location in the mid Atlantic region that provides central access to the waste carpet supply -- all key drivers in our decision to choose New Castle. We plan on expanding this facility with additional production lines before building out our manufacturing footprint nationally. We also have plans to build a site in northern Europe in our five year plan."

Frank Hurd, Chairman of the [Carpet America Recovery Effort](#), also spoke at the ribbon-cutting. CARE is a joint industry-government initiative to increase the amount of recycling and reuse of post-consumer carpet and reduce the amount of waste carpet going to landfills. According to CARE, the carpet recycling industry is growing, employing more than 1600 people across the United States in 2009.

"We are excited to have MCR as part of the CARE team," said Hurd. "The company will add significantly to carpet recycling and will be creating jobs and contributing significant dollars for local and state economies. The environmental impact of what they are doing is tremendous. Their innovative technology will allow for a significant increase in the diversion of post consumer carpet from landfills and create new uses for post consumer carpet. It is companies like MCR that will make it possible for CARE to achieve its goals."

About the Delaware Economic Development Office

The Delaware Economic Development Office is an executive state agency responsible for attracting new investors and businesses to the state, promoting the expansion of existing industry, assisting small and minority-owned businesses, promoting and developing tourism and creating new and improved employment opportunities for all citizens of the State. DEDO is a Certified Economic Development Organization, accredited by the International Economic Development Council. Visit dedo.delaware.gov.

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