

Merlin Plastics Supply Inc.



Merlin
Plastics

Dr. Tom Owen
Director of the Office of Environmental and Sustainability
Thompson Rivers University
900 McGill Road
Kamloops, British Columbia V2C 0C8

March 12, 2013

Dear Dr. Owen,

We write this letter in response to the "Evidence Based Review for Best Drink Containers Solution at Thompson Rivers University (TRU)".

First, let me introduce ourselves. We are Merlin Plastics - Western Canada's largest plastics recycler. Our head office and one of our recycling plants is located in Vancouver. We also have a second plant in Calgary, Alberta. Merlin has been in business for over twenty years and is pleased to employ more than 120 full time staff in western Canada.

In regard to the PET plastics recycling industry, and specifically as it relates to drink containers, we wish to offer the following in support of the use and recycling of plastics in British Columbia.

General Industry Comments

- Recycled PET (R-PET) is used for many end products including fiber, fiberfill, carpet, strapping, food and non-food bottles, and thermoformed packaging such as cups and take-out containers.
- PET thermoform manufacturers are using increasing amounts of recycled PET in their packaging, up to 100% in some cases.
- Over 1.5 billion pounds of PET was recycled in 2010 in North America.

Benefits to the Consumer and Distribution chain

- The low weight/contents ratio of an R-PET package leads to favorable distribution economics. This saves fuel and reduces the carbon footprint of the package;
- R-PET packages do not break thus reducing product loss and at the same time ensuring operator safety;
- R-PET is lightweight yet tough for ease of handling;

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- R-PET's impact and burst resistance ensures safety in-store and product integrity;
- R-PET packaging is lightweight and portable;
- R-PET bottles are re-sealable for efficient on-the-go hydration;
- R-PET is an inert material and does not affect the product's taste;
- R-PET is 100% safe.

Benefits to the Environment

- The recycling of PET significantly helps to reduce the overall carbon footprint, reduces our dependency on fossil fuels, and saves non-renewable resources;
- PET is the most recycled domestic packaging polymer;
- The PET industry's drive for sustainability is leading to higher rates of PET recycling which according to Encorp Pacific's 2011 Annual report, are 73% for smaller plastic bottles and 88% for larger bottles.
- Greater demand for PET will continue to drive down our carbon footprint;
- According to NAPCOR (the National Association for PET Container Resources), for every pound of recycled PET flake used, energy use is reduced by 84%; and greenhouse gas emission is reduced by 71%;
- According to a study in Britain by Davidson – for each tonne of PET recycled there is 1.5 tonnes of CO2 saved – a copy of this study is attached.

Demand for R-PET

- Merlin's experience as a long time industry member, is that the demand for PET is very high and continues to be high in light of the expanding applications of R-PET
- The demand for fibre is very strong
- The demand is also high in both the packaging sector and for durable goods such as for jackets, fleece, carpets etc.

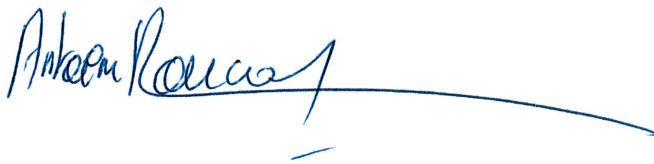
Merlin's Processes – the plastic material that is processed by Merlin goes through the following recycling process before being returned to the bottle manufacturer (to turn into bottles again) or to other buyers.

- washed,
- sorted,

- grinding is performed,
- the different particles are separated by density separation,
- the ground up material is then washed,
- dried,
- the small particles (fines) are elutriated,
- the articles are melted down and then re-formed it into pellets,
- volatile material is removed (in a process akin to sterilization) so that the finished material can then be used for food applications such as a bottles or food containers.

Merlin works hard to meet and exceed the industry standards. We believe that our quality process has been critical in enabling us to become western Canada's largest plastics recycler over these past twenty years. We feel strongly that the continued use of plastics containers will make a positive difference to our environment. This is supported by the efforts made by so many others in the industry and most importantly by the high rate of recycling BC consumers have been able to achieve to make this model sustainable, energy efficient and one that helps reduce the carbon footprint.

Yours truly,
Merlin Plastics Supply Inc.

A handwritten signature in blue ink, appearing to read 'Tony Moucachen', followed by a long horizontal flourish line.

Tony Moucachen
President