



FOAMplus® DRUM RECYCLING PROGRAM QUESTION AND ANSWER DOCUMENT

Who is Mauser Packaging/ICS:

Mauser Packaging/ICS is a Drum recycler and seller into the market. We had a current program tied to them with some of our plants. We are simply now expanding that to our end-users.

Why are we mandating that our customers pay the freight to ship drums back to Mauser:

There are a handful of recyclers left in the United States that actually handle polyurethane foam drums. Mauser had recently just purchased two smaller recyclers. So the market is consolidating and they are dictating the terms. Mauser also only has 3 plants at this time handling 55 gallon steel drums tied to polyurethane foam: California, Texas and Chicago IL. So to have their trucks running around the U.S. backhauling to three locations is not realistic.

How does our program compare to SAC's?

SAC charges their customers \$350+ annually for the service of recycling drums. A recycler, or SAC, will pick up a minimum amount of drums from an End-User and recycle those.

We do not charge our customer's an annual fee; however, we do ask them to pay the freight to ship empty drums back to the recycler. There is no minimum or maximum amount that can be shipped.

Are our customers mandated to use this program if they already have another recycler?

No, they are not mandated to utilize this program. However, any situation where we were backhauling drums or storing them at our local plants will cease. Those end-users should now begin utilizing this program.

Will the program eventually begin handling the Storopack 15 gallon containers and totes?

Yes, they will. However, we are just launching this program and as the 55 gallon steel drum program is our largest within Storopack, we are choosing to start with that item. Then progressing to the other containers.

Why is there a \$5.00 fee for scrap on damaged drums?

Mauser/ICS refurbishes 55 gallon drums and resells them into the market. If a drum is damaged and cannot be resold, it has to be scrapped. The \$5.00 fee simply covers that cost.

If a 55 gallon drum is shipped back to Mauser/ICS and it does not meet spec, what happens?

If this occurs, the drum will be rejected by the Mauser/ICS Plant and sent back out on the truck to be returned to the customer at their expense. Mauser/ICS will bill the customer directly. Storopack will play no role in that relationship.

What does it mean when it says the drum must be Drip-Dry?

This means that when you turn over an empty drum, the remaining product that pours out will eventually begin to drip. At that point, the drum is drip-dry. An empty drum weighs 35lbs., so we suggest tipping the drum over, dispensing the remainder of the product into a container until the drum drips, and then pouring the remaining product into a fresh drum for use.

Is Storopack willing to negotiate or handle the freight cost for the customer?

As the billing and freight is handled between the customer and Mauser/ICS, NO. Storopack cannot enter into that arrangement as the customer must get setup with Mauser directly and handle all communication and organization of shipments themselves. Storopack has no way of entering into those communications or shipments.