

EXCLUSIVE: GreenSafe investors bring \$45 million to the table, but looking for \$10-million more from feds and province

JOHN ROBBINS / Bullet News

FORT ERIE – A group of investors are willing to spend up to \$45 million to bring cutting edge environmental technology to Fort Erie, where they hope to set up their North American headquarters and create more than 340 jobs.

But executives from GreenSafe Demanufacturing Inc. say they need a firm commitment of \$10 million more from both the federal and provincial governments before taking their innovative proposal to the next step.



An architect's drawing of the type of facilities GreenSafe Demanufacturing Inc. is looking to build.

Company officials were in Niagara on Thursday and Friday for a series of important meetings, including making presentations to Niagara Falls MP Rob Nicholson and Regional Chairman Gary Burroughs.

They also met with municipal staff, who are helping to craft a timeline for obtaining approvals that need to be obtained if and when the company decides to move ahead with the construction of one, possibly two, plants in Fort Erie.

The meeting with Nicholson, Canada's Justice Minister and Attorney General, was key, since he is helping to arrange a meeting in Ottawa with senior federal government officials this coming Thursday, in an effort to determine what funding programs the project could fit into and how best to expedite the application process.

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Fort Erie Mayor Doug Martin

Fort Erie Mayor Doug Martin, who hosted the GreenSafe representatives during their visit this past week, says he's planning to make the trip to Ottawa, to bolster the company's case.

"We want this company here," Martin said Friday afternoon, during which Bullet News was given exclusive access to meet with company officials and view project plans.

"This technology is the future, so we want to help make this work."

GreenSafe specializes in the "demanufacturing" process, which the company describes as a more thorough breakdown and sorting of end-of-life products and appliances than traditionally employed in the recycling industry. The company has been looking to establish several facilities in Canada, each employing about 170 people.

The company is already in discussions aimed at acquiring a parcel of industrial land located beside the railway lines near Phipps Street and Thompson Road.

Access to a major rail corridor was one of the primary considerations in selecting Fort Erie as the location to build.

A facility at that location would be expected to receive roughly 80 train loads a day of input materials, primarily old appliances, which would then be broken down, within the confines of a fully contained environment, into base commodities (metals, plastics, etc.) for resale.

The technology and equipment used in the demanufacturing process is currently in use in parts of Europe, including Germany.

"This isn't experimental technology," said company president Jamal Instrum. "This is being done successfully elsewhere, but this would be the first time this technology would be implemented in North America,"

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Almost all of the materials recovered from the demanufacturing process has a value, company officials say.

For example, one of the byproducts of the breakdown of insulation from refrigeration equipment is essentially salt water, or brine, which is currently used by a number of municipalities in Niagara to melt snow and ice on roadways during the winter.

Jim Thibert, general manager of the Fort Erie Economic Development and Tourism Corporation, has been working closely with company officials for months now.

Thibert said the company has secure financing through Deutsche Bank and a private venture capital fund.

The company could begin construction in just over a year's time, which is needed to work through the approval and planning process.

But the clock can't start ticking until the company has up-front assurances that it qualifies for government incentive funding, which could come through any number of established support programs.

Time is of the essence, said Thibert. While Fort Erie is the company's first choice, there are other jurisdictions interested having GreenSafe locate there.

"They don't need the money tomorrow, but they do need assurances the (government) money will be there down the road," said Thibert.

"This opportunity is ours to lose," said Thibert. "But I have every confidence Mr. Nicholson will be able to assist us."

When contacted for comment earlier this past about discussions with the company, Nicholson spokeswoman Pamela Stephens had this to say: "Minister Nicholson is very supportive of any new initiatives that will create jobs in the Niagara region."