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National Recycling Services Delivers Added Processing Power to High-VolumeScrap Jobs. BY BRIAN TAYLOR

or scrap processors, sometimes when it rains, it pours. Processors who have enough equipment on hand to bale their flow of scrap one month may find them selves short-handed the next month when one or two major projects come their way.

Howard Lincoln of Lincoln Metal Processing, Eric, Pa., has turned this challenge into a business opportunity. Lincoln, along with business partner Roger Zurn, founded National Recycling Services Inc. (NRS) to meet the needs of the scrap recycler who is temporarily

In addition to overseeing National Recycling Services, Howard Lincoln

to bring in as many used beverage cans (UBCs) as it can from

tative helped Lincoln not only gain a competitive advantage, but also

purchased affordably to run during non-peak viewing hours, he signed

a contract with the cable company for a package of time slots.

Like scrap firms in many regional markets, Lincoln Metal competes

A random conversation with a cable television company represen-

When Lincoln learned that a great deal of commercial time could be

GAINING ATTENTION

homeowners and peddlers throughout the region.

is also president of Lincoln Metal Processing, Erie, Pa.

create some minor celebrities in his corner of the state.

overwhelmed with material; who doesn't have a scrap baler; or who is looking to replace or add additional equipment.

National sends out portable balers, with an operator, to scrap yards and demolition sites for a limited period of time to help complete large-scale processing tasks.

THE BIRTH OF AN IDEA

Lincoln was running his established scrap business in Erie when a number of factors came together that would jointly serve as the incentive to launch National Recy-

ling.

"The partnership bought a portable baler that I was running between Erie and Meadville (Pa.), when someone saw the phone number on the machine and called and leased it for two entire months," says Lincoln. "They kept using it, and paid us to keep leasing it. So the partnership bought a second machine, we placed an ad and got another job. It just kind of paid for itself and worked well," he adds.

Lincoln has been pleased with how National Recycling Services has caught on, but says scrap industry observers should not be surprised. "The idea just kind of evolved," he remarks. "The scrap industry is full of that—scrap dealers with good ideas. The trade shows and conventions have been great idea generators."

Lincoln also credits trade magazine advertising as a key part of the company's growth. "I can tell when my ad has appeared in *Recycling Today*, because I'll get several calls on the day the magazine arrives on people's desks," he comments. "When that ad appears, my phone will ring for a week."

The admittedly low-budget ads Lincoln Metal Processing produced and aired became cult classics in Erie, attracting more than the amount of attantion Howard Lincoln board thou would

of attention Howard Lincoln hoped they would.

In some of the ads, a Coca-Cola can spokesperson named Al Luminum (and his Sunkist orange soda sidekick Candace Idea] espoused the merits of recycling aluminum cans.

"We really got our money's worth out of that contract, and it really helped us become the scrap yard and recycling center people in Erie thought of first," says Lincoln. "I had people who brought their kids in to see the can people mascots, and they became regular customers."

CUSTOMERS LINING UP

Customers have come from a variety of industries, including some of the nation's

THE FLYING FISH

Like many cities in the U.S., Erie, Pa., has used public artwork displayed on street corners and in city parks to draw pedestrians to the city center. While Chicago has offered cows and furniture as its artists' canvases, Toronto has displayed moose and Cleveland is showing off custom-painted guitars, Erie chose fish for its street art theme.

Howard Lincoln and Lincoln Metal Processing funded one of the custom-designed fish, working with a local metal sculptor to produce an aluminum-clad "flying" fish that was displayed proudly on Erie's major public landmark on Presque Isle Bay, known as Dobbins Landing on downtown Erie's main street.

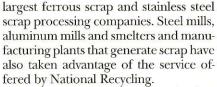
According to Lincoln, the fish became a public favorite, and citizens have urged local leaders and Lincoln (who owns the

fish) to work together to make sure the fish which moves in harmony with the winds along the lake—remains on public display.

"People loved that fish.

It really gained attention and drew positive remarks from people," says Lincoln. "So we gave approval to the city fathers to continue displaying our 'flying fish."

The fish is currently still "flying" at its Dobbins Landing location, although some day it may be relocated to greet visitors to the Lincoln Metal Processing facility.



Demolition contractors involved in large-scale projects (or a scrap yard that is handling material hauled in from a nearby demolition site) have become mainstays of National's business. "We do a lot of demolition work, doing the roofs and the siding to make number one bales," says Lincoln.

There are some truly unique reasons why customers turn to National Recycling Services. In 1998, an Atlanta area scrap shredding facility was idled by an Olympic Committee request to run its yard more quietly during the Olympic games. The answer turned out to be an NRS leased baler that processed scrap during the games.

The current customer base is a mixture of repeat customers and new customers who find themselves in need of extra processing help for the first time.

Cohen Bros Inc., Middletown, Ohio, has used National Recycling regularly, according to Geoff Rosenberg, a scrap buyer with the company. He says the service has been especially useful for processing scrap at remote locations away from the large-tonnage balers Cohen Bros. uses at its central facilities.

"The portable balers from National have been tremendous at processing materials at remote collection points that are off the beaten path," says Rosenberg, who notes that large amounts of material such as appliances and loose sheet can be found at these locations despite their

distance from urban areas and the interstate highway system.

"Because it's a baler with a crane situation, you can become a direct-to-mill shipper at these remote sites," he remarks. "You can cut a couple of steps out of the equation using the National Recycling service."

Rosenberg cites National Recycling in particular for the quality of its baler operators and its prompt shipment of balers to the site. "What Howard does nicely is work with you," says Rosenberg. "If you can repair something quicker, that's fine. He'll let us do it and we'll settle it [financially] later."

Adds Rosenberg, "The operators have always been very good, which is crucial. It's all about tonnage," he continues. "The operators are there on time and set the balers up quickly. It's not a situation where two or three days later you're still waiting for the machine to be up and running."

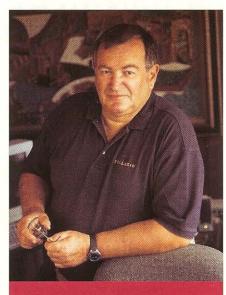
FINE-TUNING THE FORMULA

The success of National Recycling Services has not been a completely smooth road, Lincoln acknowledges. There were lessons to be learned early on in terms of making the enterprise profitable, and anyone who wishes to copy the National Recycling Services formula should think long and hard about how to find the right workers to accompany the portable balers, Lincoln warns.

"Originally, we charged by the ton, but what would happen is we would be kept waiting at other locations while our crew member was on the payroll," says Lincoln. "So now we charge by the hour and day," he notes. "It's similar to hiring

a crane-you pay by the hour."

Those using the service gain several benefits from it, says Lincoln. "The advantages for them are that they have a set cost they can figure into their budget; they don't have to be short-handed; and they don't have to pay for a machine that they would otherwise only need maybe three months out of the year while it sits idle the rest of the time."



"I've been through tough times in the industry, but hard work and not quitting can pull you through a lot of crises."

—Howard Lincoln

CoverStory

There are occasions when regular customers discover that they can use the added baler more often than they expected. Lincoln says that can work out well for both parties also. "I have sold 12 used machines over the years, and a lot of them have been to customers," he remarks. "A used machine, kept up well, will be just as good as a new machine."

Lincoln is aware other companies are competing with him in providing balers with a crew member, and that others may do so in the future. But he credits the workers he can find in northwestern Pennsylvania as being an advantage for National Recycling Services that others will have difficulty replicating.

"The hard part of this is the people," says Lincoln. "Other companies may have the problem of sending out people they can't trust on the road. My guys take care of themselves."

Lincoln adds, "They tend to come from rural areas and they like to work with machinery. If they have to replace an engine, they can do it. I treat them well and pay them well and give them extra benefits and health care. For that, in return, we get good people."

At times, another advantage National Recycling can offer is the ability to send a replacement machine if a unit goes down. However, this advantage can disappear when business is too good, Lincoln admits.

"There are times when we have three or four customers clamoring for machines, and we don't have them [available]. When the market is depressed we have the luxury of having a back-up unit or two."

As of mid-2002, National Recycling Services can place five portable balers at job sites, and is fielding calls from customers throughout the country. To date, NRS has served customers from coast to coast in more than a dozen states.

But beyond a good idea, Lincoln credits persistence as a reason why National Recycling has capitalized on an idea that others may have struggled with. ""I hate to lose. I see other people who succeed, and I figure if they can do it, I can too," he remarks.

In his years in the industry, Lincoln has successfully started up a brass foundry, traded precious metals when prices were riding high in the 1980s, and established his successful scrap yard and National Recycling operation.

"I've been through tough times in the industry," he states. "But hard work and not quitting can pull you through a lot of crises. Why do some people get ahead and others don't? Probably because they don't quit," says Lincoln. RT

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