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Fighting spirit keeps QTR, leader on track

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PLASTICS NEWS STAFF

EVANSVILLE, IND. -- Compounder QTR Inc. overcame some big hurdles on its way to being named the 2006 Small Business of the Year by the Indiana Chamber of Commerce.

The Evansville-based firm was honored Jan.

30 at a reception in Indianapolis after being selected from a field of six finalists. The firm employs 50 at two plants in Evansville and posted sales of \$12.5 million in 2006. Its main products are custom compounds based on recycled polycarbonate and other recycled engineering resins. Recent annual sales growth has averaged 30 percent.

"The group we have at QTR is very unusual," said Rod Jackson, the firm's president and co-owner. "Our people live and breathe QTR, and they don't take failure well."

In recent years, QTR was able to thrive in spite of the bankruptcy of its largest customer and Jackson's lengthy absence to serve with the U.S. Army.

Automotive supplier Delmet Corp. filed for bankruptcy in January 2001. At the time, Nashville, Tenn.-based Delmet accounted for half of QTR's sales and owed the company \$400,000. QTR also faced bankruptcy as a result, but was able to make it through and pay all of its suppliers. In a Feb. 6 phone interview, Jackson said QTR survived with help from several firms, including suppliers Maine Plastics Inc. and Sattler Plastics Co. Inc. and customer Ohio Valley Plastics Inc.

As QTR was recovering from the Delmet situation, the U.S. was hit by the Sept. 11 terrorist attacks - four days before Jackson had planned to retire after a 20-year active duty and reserve career with the U.S. Army. He immediately re-

enlisted for seven years and volunteered for active duty. He was assigned to serve at Fort Bragg, N.C.

Jackson, a married father of six children, returned home for six months but then spent six months in Iraq in late 2003 and early 2004, working with a special forces training unit in Taji and

Al-Najaf.

During his military service, he stayed in

frequent contact with QTR, where sales grew 20 percent in his absence.

Jackson no longer is on active duty, after sustaining an injury during a practice parachute jump at Fort Bragg.

And in what Jackson described as "divine providence," QTR was helped out during its financial struggles by a low-interest loan Jackson qualified for as a member of the military.

In a news release, Indiana Chamber of Commerce President Kevin Brinegar said QTR was selected "for its commitment to its employees, customers and the community, as well as its outstanding policy of doing the right thing no matter what the difficulties."

QTR moved into a new, \$3.7 million plant in October 2005. The 67,000-square-foot plant is adjacent to the firm's original, 38,000-square-foot site, which remains in use. QTR operates five production lines and two research and development lines. Total annual production capacity is 40 million to 50 million pounds.

About 75 percent of QTR's sales are into the auto sector, although Jackson said he'd like to see that number reduced to 50 percent. QTR has done well in that market in spite of its recent downturn.

"When the automotive market gets tough, people make changes they ordinarily wouldn't make, and they might take a look at recycled materials," Jackson said. "In that sense, our business is really recession-proof."

Other sizable business for the company includes the lawn and garden and small-engines markets. QTR is looking to do more work with recycled PET, possibly through a bottle-washing and recycling unit, and the state of Indiana has given the firm a \$100,000 state grant to develop that work. The firm received the state's Governor's Award for Excellence in Recycling in 1999.

QTR was launched in 1993 by Earl Scott, Ed Martin and three business partners, all of whom either had worked for GE Plastics in Mount Vernon, Ind., or were veterans of the Evansville-area plastics industry. Jackson, an Evansville native, joined the firm in 1997.

Call to duty

After a 20-year career in the U.S. Army, QTR President and co-owner Rod Jackson:

- re-enlisted after the Sept. 11, 2001, terrorist attacks.
- spent six months in Iraq in late 2003 and early 2004.
- worked with a special forces training unit in Taji and Al-Najaf.



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