

Grassroot Adhesives Plant in Iowa to produce Soy-Based Adhesives by Spring of 2003

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The following is an advisory by Industrialinfo.com (Industrial Information Resources, Incorporated; Houston, Texas).

Heartland Resource Technologies LLC (Pasadena, Cali), a fledgling company founded by Frank Trocino, is in the final planning stage for their first commercial scale production facility of soy-based adhesives to be used in the engineered wood and fiber industry. Construction is set to begin in May of this year, with Larson Construction Company, Inc. (Independence, Iowa) serving as the general contractor. Operations are expected to begin in the spring of 2003.

The facility, with a \$12.5 million price tag, which includes construction, start-up, and operations, will produce 100 million pounds a year of soy-based adhesives that will be 70% soy protein, with the other 30% derived from phenol formaldehyde resins, as opposed to the use of methylene diphenyl diisocyanate (MDI). Heartland has been issued a patent for a licensing agreement with Iowa State University for a soy-phenol adhesive technology that was developed by the university's agri-scientists and a patent pending that includes three soy-based adhesives. Heartland is currently in negotiations with Iowa soybean growers for supply contracts and one would assume that Governor Thomas Vilsack is thrilled about a new business that produces an environmentally friendly product, creates more jobs, and is dependent on soybean growers in his state.

Although currently based in Pasadena, California, Heartland Resources will move all operations, including research and development, sales and marketing, and administration, to the new Oelwein, Iowa plant site. Heartland expects to employ 18 people once the site is fully operational with a possible future expansion after operations have commenced. "Having new technology and product development that not only relies on the agricultural industry of the U.S., but promotes environmentally friendly production and consumption is a win-win situation," says Chris Easley, a market research specialist with Industrialinfo.com.

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