<u>The Water Treatment Chemicals Division's Product Portfolio Expands:</u> <u>New Manufacturing Facility Completed in Chattanooga, TN</u>

By: Chris Miller, 12/1/2012

After two years of intense product development efforts, the Water Treatment Chemicals team proudly introduced the water treatment industry's newest product offering, UltraPAC® 1400, to the North American marketplace on November 15th. This unique product is a drinking water treatment additive called a coagulant and is used by GEO's customers to clarify municipal drinking water. In head-to-head testing, UltraPAC® 1400 outperforms many competitive products in the marketplace and is



Ken Ghazey, Chief Executive Officer, cuts the ribbon to officially commission GEO's new UltraPAC-1400 facility. Attending the ribbon cutting ceremony from left to right were: Naresh Kanderi, Aaron Bier, Brian Reed, Brian Steppig, Scot Lang, Ken Ghazey, Chris Miller, Mike Oldfield, Keith Braud, and Waldo Miller.

more stable than competing products, an important innovation that is sure to please GEO's customers. Ken Ghazey, GEO's Chief Executive Officer, when asked about the importance of UltraPAC[®] 1400 to GEO's overall business strategy said, "This is another great example of GEO innovation that will provide effective price to performance value for our customers. Our Water Treatment team continues to develop new products for the marketplace that fuels our organic growth and creates new opportunities".

Product and Market Development

GEO has been searching for several years for a product offering to treat low to mid-alkalinity waters in certain regions of the country. Approximately two years ago, Mike Oldfield, while working in GEO's Little Rock, AR laboratory to create a solution, hit upon a promising product with unique characteristics. The sales team, led by GEO's Director of Sales Brian Steppig, took the new product samples to the field and started conducting trials at numerous water treatment facilities throughout the Eastern half of the United States. Peter Bertasi, Joe Klimek, and Brad Spangler worked with key distributor partners and long time customers to prove the worth of the new product. Initial trials were so successful that a small pilot plant facility was

constructed in Bastrop, LA. The Bastrop team, and in particular operator Ronnie McCrary, operated the pilot plant on a daily basis for the past year manufacturing water treatment plant trial quantities for GEO's prospective new customers while collecting valuable process data. With positive test results piling up, the future for UltraPAC[®] 1400 looks bright indeed.

New Facility and a Challenging Construction Schedule

Because UltraPAC[®] 1400 is a product unlike any produced by GEO previously, a new and unique manufacturing facility had to be built. The first step of the process was to identify the ideal location for the new facility. Scot Lang, the Division's Senior Vice President, and his team chose GEO's Chattanooga site as the location for the largest construction project undertaken by GEO since 2004. As Scot explains, "This product performs particularly well in low alkalinity water. The water shed in the region of Kentucky, Tennessee, Alabama and Georgia consists of low alkalinity water. GEO's existing Chattanooga aluminum sulfate facility is the ideal location to manufacture this new product line."

Once the Chattanooga site was selected, the manufacturing team was issued a difficult challenge: design, build, and startup a first-of-a-kind, complex manufacturing facility by the

fourth quarter of this year. The fast track project began on August 8th when GEO's board of directors approved the \$2 million plus capital expenditure. The City of Chattanooga issued the construction permit on August 20th and heavy construction equipment arrived on the Chattanooga site soon thereafter. The challenge: compress a 6 month construction schedule into a 3 month timeframe!



The Process Startup Team poses for a picture. From left to right: Mike Oldfield, Brian Reed, Keith Braud, Phillip Croft, Aaron Bier, and Waldo Miller.

A Successful Startup

In early November, the heavy construction activities began to wind down and the important commissioning activities commenced. The Manufacturing Process Startup Team consisting of Chattanooga Plant Manager Keith Braud, Eastern Region Manager Waldo Miller, Naheola Plant Manger Aaron Bier, Chattanooga Senior Operator Phillip Croft, and the Little Rock analytical team of Mike Oldfield and Brian Reed worked weekends and long hours to test the new

systems, inspect equipment, develop operating procedures, and prepare the new facility for production on a very compressed time schedule. The new facility's first production batch was successfully completed on November 12th – a mere 12 weeks after the city issued the construction permit for the project! Three days later the city of Scottsboro, Alabama, a former GEO customer wooed back by the new product, received the first truckload of UltraPAC® 1400. Customer feedback so far has been very positive. The intense, 3 month long construction project also met another important objective, no injuries or safety incidents occurred during the project's construction or commissioning activities.

Grand Opening

On November 29th, Ken Ghazey and Scot Lang celebrated the grand opening of the UltraPAC[®] 1400 facility with a ribbon cutting ceremony. The celebration and plant tour officially brought the construction phase to a close and signaled to the marketplace that GEO's UltraPAC[®] 1400 facility is now open for business. When asked about his initial impression of the new facility after the tour, Ken commented, "Well, like it was said in Field of Dreams, Build it and they will come. Our crackerjack manufacturing team built the facility in record time and our sales team will now bring the customers". The future does indeed look bright for GEO's newest product line.



Brian Steppig, Chris Miller, Scot Lang, and Ken Ghazey tour the new UltraPAC-1400 facility.