

The New Price of Plastic

In 2010, Leon Farahni founded CarbonLITE Recycling (CarbonLITE) based on the Bottle-to-Bottle and Closed-Loop recycling philosophies. CarbonLITE grew to become the largest producer of food-grade Post-consumer Recycled polyethylene terephthalate (PET) in the world. CarbonLITE's commitment to making an impact in preserving resources and reducing the carbon footprint from PET bottle production was made possible by its investments in new state-of-the-art facilities, technologies, and equipment.

Throughout the years CarbonLITE grew to acquire three facilities located in Riverside, California; Dallas, Texas; and Reading, Pennsylvania. Combined, CarbonLITE facilities process over seven billion plastic bottles annually to be recycled. In late 2019, CarbonLITE had plans on opening a fourth recycling facility in Muhlenberg Township, Pennsylvania, however the COVID-19 pandemic hit which impacted this development.

The pandemic brought many unprecedented challenges that CarbonLITE did not anticipate. In March 2021, they made the decision to file for Chapter 11 bankruptcy. CarbonLITE felt the financial repercussions of the pandemic, including employees' illness and the depressed price of new plastic, which resulted in a slowdown in production. CarbonLITE also incurred heavy capital expenses from the development of their new facility in Pennsylvania before the pandemic, when its opening was instantly delayed for 9 months due to the pandemic. However, the company intends to continue operations of all their facilities with no layoffs anticipated.

CarbonLITE's CEO, Leon Farahni, stated, "We've chosen to take this necessary step during a time of unprecedented challenge and expect to emerge from reorganization even more strongly positioned for the future." – Goldsberry, Clare "PET Recycler CarbonLITE Files for Chapter 11 Bankruptcy" *Plastics Today* 11 March 2021.

News Article Sources:

Jan 16, 2020 Updated Mar 10, 2021

https://www.wfmz.com/news/area/berks/carbonlite-to-add-130-jobs-2nd-facility-also-possible/article_bfad1e88-38a9-11ea-a091-ef9ee6174117.html

Mar 11, 2021

<https://www.plasticstoday.com/business/pet-recycler-carbonlite-files-chapter-11-bankruptcy>

Mar 10, 2021

<https://resource-recycling.com/plastics/2021/03/08/carbonlite-files-for-chapter-11-bankruptcy/>

Photo:

