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**MAJOR PLASTICS REPROCESSOR / SUPPLIER ADDRESSES DEMAND  
AND COST PRESSURES DUE TO COVID-19**

**INDIANAPOLIS, IN** — In an effort to address the challenges surrounding the economic impact of COVID-19, the 38 year old Indiana plastics reprocessor and raw materials supplier Butler-MacDonald has elected to be proactive with pricing and technology it provides to the customers it serves. In the midst of a time when conventional wisdom is telling many to shelter and pull back from equipment purchases, the company has made the bold move to proactively address pricing and expand its capabilities by ordering a new extrusion system from EREMA North America, Inc. (Subsidiary of EREMA Group GmbH of Ansfelden, Austria).

Butler-MacDonald serves a wide base of both large and small customers on three fronts. The cleaning of contaminated and mixed plastics, purchasing off-spec and cross-contaminated scrap and selling many forms of rigid plastics used in the manufacture of goods, which include medical, PPE, and disinfectant/sanitizer packaging.

“The move was prompted by addressing what the company believes will be a future need to lower costs and be more effective at turn time,” said company president Scott Johnson. “Since the inception of this pandemic, we were very proactive in putting all the recommended controls in place. As a result, our employees remain healthy. Through April, we’ve been fortunate and minimally impacted by this pandemic and realized a significant increase in sales versus this period last year. However, beginning with May, we see things tapering off. A wide range of customers tell us they are struggling to overcome the losses experienced due to the extended stay at home orders, slower than anticipated reopening throughout the country and addressing the “new normal” to reopen. The economic impact of this along with what’s coming next will affect everyone for the foreseeable future, regardless of how well you’ve been doing. The best way we can address these mounting issues is to confront pricing, turn times and an ever-growing demand to process lighter weight difficult materials cost effectively, all before the need arises.”

Butler’s smaller customers are seeking price reductions to overcome the losses they are experiencing through reduced orders, downward price pressure and an overall decrease in consumption. Larger customers are forcing price reductions as virgin resin prices fall making it favored over reprocessed.

This cost associated with this pandemic and re-opening is real and far reaching. “It’s very important to us to keep material channels open and healthy. And, recognizing profits drive everything, we are optimistic the customer base will stay committed to Butler-MacDonald’s service and continue use of reprocessed material in place of prime virgin plastics.”

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