

**New York State
Environmental Investment Program
Capital Project Summary**

Power Pallet, Inc.

Project Background

Power Pallet is a pallet repair and remanufacturing facility that, during the course of this project, relocated from Schenectady, NY to Amsterdam, NY. The company takes in used pallets, disassembles or repairs them and remanufactures new pallets from the components. The business was incorporated in 1980 and services more than 300 commercial clients throughout New York, Connecticut, Vermont and New Hampshire.

At the time this project was proposed, the company intended to expand operations at the Schenectady facility by adding 20,000 sq ft of operating space and several new pieces of equipment. Soon after the project was approved, however, it became evident that the company's needs for expansion could best be served by a relocation. The Schenectady site was surrounded by a rail line, a stream and a residential area and the tight accommodations were challenging. The company identified a building site in Duanesburg, Schenectady County but abandoned it after several months of negotiations. The company then identified an alternative location in Florida, Montgomery County and eventually abandoned that and settled on the purchase of the former Mohawk Finishing Company building and property on State Route 30 in Amsterdam, Montgomery County.

Project Description

Through this project, Power Pallet added several pieces of pallet handling equipment, including roller conveyor, programmable logic controls, pallet stackers, stack turners, pallet flippers, and band saws.

The decision to relocate and the pursuant process of identifying a suitable location, renovating it and moving Power Pallet's entire operations into it delayed the project completion to well beyond the date originally intended. The move was worth the delay, however, since the new facility is spacious and conveniently located. Altogether, the company invested \$6.5 million in the purchase, renovation and move to the new facility.

Project Results

Production capacity increased to 13,000 pallets/day. At the time the project closed, the company was employing 140 people, well above the target of 87. The company was processing, on average, 8,621 pallets per day. This equates to a rate of about 56,000 tons per year, well above the target of 45,652 tons per year. Finally, the company reached the target annual sales rate of \$8.8 million.

Contractor:	Montgomery County IDA	NYS EIP Investment:	\$242,000
County:	Montgomery	Contractor Match:	\$412,703
ESD Region:	Mohawk Valley	Total:	\$654,703
ESD Contact:	518/292-5340	Completion Date:	May, 2005