



For Immediate Release: Monday, June 4, 2012

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ECOVATIVE HOLDS RIBBON CUTTING CELEBRATING EXPANSION PROJECT

Project awarded \$250,000 through Governor Cuomo's Regional Council initiative; Capital Region Economic Development Council supportive of project as a catalyst for clean-tech growth in the region

Ecovative Design, LLC, a local manufacturer of bio-based materials, today held a ribbon cutting ceremony celebrating the company's expansion in Albany County. As part of Governor Andrew M. Cuomo's Regional Council initiative, Ecovative Design was awarded \$250,000 in Empire State Development Environmental Investment Program (EIP) funding through the Center for Economic Growth to help support this project. The funding has helped pay for necessary machinery and equipment as part of the expansion project that increased efficiency and created 10 new, full time jobs in the Capital Region. Ecovative Design renovated and expanded its Green Island facility to accommodate increased production of EcoCradle®, its unique, sustainable packaging product.

Dr. Shirley Ann Jackson, Ph.D., president of RPI and Capital Region Economic Development Council Co-Chair said: "We have watched Ecovative Design grow from an idea nurtured in a Rensselaer Polytechnic Institute classroom, into a transformational business, partnering with Fortune 500 companies, and demonstrating the economic value of meeting the world's energy needs in a more sustainable way. Ecovative's success in creating innovative products and new jobs is evidence of the value of the investments made by the government, business and academic sectors at critical junctures along the way. They are a model for fostering sustainable economic growth in the region and beyond."

Michael J. Castellana, SEFCU's president and CEO and Capital Region Economic Development Council Co-Chair said: "Ecovative Design is a true success story in the Capital Region, growing

from an entrepreneur's dream while attending Rensselaer Polytechnic Institute to successful company that has grown jobs that will help the economy and through innovation, is manufacturing eco-friendly products that will help the environment."

Ecovative manufactures protective packaging products for two Fortune 500 companies, an industry that generates \$2.3 billion per year in the U.S. alone, and was not able to meet the demand of its customers out of its current 10,000 square foot facility. The company has expanded into an additional 25,000 square feet of R&D and manufacturing space, and the EIP funding allowed for the purchase of equipment and machinery, including boilers, dryers and a pasteurizer necessary to ramp up production of the EcoCradle® product line.

"We are incredibly excited to continue the growth of our revolutionary bio-process," said Ecovative CEO Eben Bayer. "Only through real industrial scaling of environmentally favorable processes can we aim to have a significant impact on our planet. This next generation facility is an example of such scale, and will serve as a blueprint for future facilities. In addition, we are particularly grateful to be growing this business in an environment with people and organizations that are supportive of new companies and new technologies."

Ecovative anticipates a 500 percent increase in sales due to increased production allowing the company to meet current customer demand, and more aggressively solicit new clients. In addition, the expansion will increase efficiency by reducing industrial waste and toxic emissions associated with the production of products from plastic synthetics. It will also increase its use of New York State agricultural waste products, which are a feedstock for the production of EcoCradle®.

Last year, a total of \$785 million was awarded through the Consolidated Funding Application (CFA) for job creation and community development projects consistent with each region's strategic plans. The Capital Region was awarded \$62.7 million in state support through the Regional Economic Development Council initiative and CFA process for some 88 projects across the region. As part of that process, \$250,000 in funding was awarded to Ecovative from Empire State Development's Environmental Investment Program for this project.

"Ecovative's success in the Capital Region clearly exemplifies the region's many assets, from its growing clean-tech industry to its strong university based partnerships," said ESD President, CEO & Commissioner Kenneth Adams. "Under Governor Cuomo's leadership, we will continue to leverage these strengths to support our existing businesses, create new investment and grow jobs. ESD is proud to support Ecovative through the Regional Council initiative and congratulate them on this expansion, allowing the company to meet its customer demands and continue to pave the way in the innovative research, development and manufacturing of this transformative product line."

Since the company's inception in 2007, Ecovative's growth has been fueled by grants, prizes and support from key partners, including the National Science Foundation, the U.S. Department of Agriculture, the Environmental Protection Agency, the National Collegiate Inventors and

Innovators Alliance and the New York State Energy Research and Development Authority (NYSERDA). NYSEDA has provided more than \$1 million in incentives to the company, helping Ecovative develop its product in 2008, and more recently, to improve its manufacturing process and focus one segment of its technology on building car dashboards and other parts. In addition, support from Rensselaer Polytechnic Institute, which helped grow the company from classroom to incubator, has also enabled Ecovative to continue to accelerate toward production of these revolutionary eco-friendly materials.

Congressman Paul Tonko said, "I want to congratulate Ecovative on today's ribbon cutting and on their vision and expertise, which enables the creation of clean energy jobs. Plain and simple: research equals jobs. And today's investment, led by Governor Cuomo, is proof positive that we can help reignite the American Dream right here in the Capital Region by fostering policies that promote innovation, small business development and the entrepreneurial spirit."

Senator Kirsten Gillibrand, a member of the Senate Environment and Public Works Committee, said, "With innovative businesses like Ecovative Design, New York is poised to lead the way to the clean energy economy of the future. This environmental champion is revolutionizing our packaging and products using eco-friendly, sustainable materials, supporting good-paying jobs and helping to fuel our economy in the process."

NYSERDA President and CEO Francis J. Murray Jr. said, "Governor Cuomo has been a leader in creating public-private partnerships. Ecovative's expansion highlights how such partnerships can stimulate economic development and job growth. Ecovative has seen great success by finding new and innovative applications for its products made from natural materials. NYSEDA congratulates Ecovative on its expansion and growing presence in the Capital Region."

Center for Economic Growth President and CEO F. Michael Tucker said, "Ecovative is a prototype for the innovative, technology-driven companies that Tech Valley and Upstate New York must continue to help nurture and thrive. The Center for Economic Growth is pleased to be working collaboratively with Ecovative to support their growth and the growth of the region's entrepreneurial ecosystem."

Green Island Mayor Ellen M. McNulty-Ryan said, "I couldn't be more thrilled that Ecovative has decided to retain and expand their business in our community. They are truly innovative in their way of thinking and inspirational in their hard work ethic and environmentally sound solution to the age old problem of replacing styrofoam packaging. Congratulations and best wishes to Eben, Gavin and the entire Ecovative team for continued success in Green Island."

Ecovative adapts living systems to create environmentally responsible materials and products to help people live in harmony with the rest of life on planet Earth. Ecovative has been recognized with numerous international awards for sustainability and "green" technologies, and was named a Tech Pioneer at the 2011 World Economic Forum in Davos, Switzerland. In 2012, Ecovative received the Environmental Protection Agency's annual Environmental Quality Award. Today, Ecovative is using mushroom technology to grow EcoCradle® Protective

Packaging which is renewable and compostable, and can replace plastic foam packaging.
www.ecovatedesign.com.

To learn more about each regional council and their economic development plans, visit
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