Recycling foresight proved key to Alpine Waste growth

John Griffith has grown Alpine Waste & Recycling Co. from a single truck in 1999 to the largest independent trash hauler in the Denver area. It now has more than 60 employees and its own recycling plant. Annual revenue is forecast to jump more than 55 percent from last year to about $14 million in 2008.

Griffith credits some of the growth to lucky timing — such as offering to pick up recyclable items, and building a recycling plant just as customers were starting to demand those services — and the rest to savvy customer service. Alpine’s trash haulers wear uniforms and caps, and are trained to pick up trash or recycling materials that spill when a bin is emptied into a truck.

“We just happened to build the recycling plant right before the big shift in the industry,” Griffith said. It also has helped to be relatively small in an industry dominated by a few multibillion-dollar behemoths, such as Houston-based Waste Management Inc. (NYSE: WMI, market cap $14.6 billion), Phoenix-based Allied Waste Industries Inc. (NYSE: AW, market cap $4.2 billion) and Fort Lauderdale, Fla.-based Republic Services Inc. (NYSE: RSG, market cap $4 billion).

“We can see what’s going on in the marketplace,” Griffith said. “We can change our direction in order to meet customer demands quickly. In this industry, nothing has been a greater shift than [the one] toward sustainability, and it’s been a quick shift.”

About 80 percent of Alpine’s customers are commercial businesses. The rest are homeowners associations and apartment and condo complexes with community trash bins.

With the recycling plant, Alpine also introduced its “Altogether” single-stream recycling program — which allows customers to throw all their recyclable materials — such as newspapers, plastic, office paper, magazines, cardboard, etc. — into a single bin to be sorted at the plant.

On the negative side, Alpine — which owns 35 trucks — has been hit hard by rising diesel fuel prices.

“That’s something we definitely didn’t see, and it’s affected us tremendously,” Griffith said. “It was surprising, and we’ve raised prices.” The hike was about 10 percent.

“Most of our customers were understanding,” Griffith said. “Everyone understands, everyone has to fill up their cars. We got less than 10 calls.”

Alpine doesn’t use fuel surcharges, which are variable, because Griffith believes customers prefer to budget for consistent costs each month.

Alpine’s $5.5 million recycling plant, at 645 W. 53rd St. in Denver, opened in September 2007. The company is based in Commerce City.

The plant expects to take in nearly 4,000 tons of plastic, cardboard, newspaper, office paper and other recyclables in October, with Alpine alone responsible for about one-third of that, said Brent Hildebrand, Alpine’s vice president of recycling.

The recycling plant is open to all the metro area’s independent trash and recycling companies. The plant also has a trash transfer station, where dump trucks can leave their haul for larger semitrailers to take to the landfill — saving on fuel costs.

The recycling plant doesn’t charge haulers for access to the plant. It pays them based on the amount and value of the recyclable materials they bring in. The amount paid varies, depending on commodity prices for the bales of newspaper, plastics and metal that Alpine sells to other companies, which process them into new goods.

“It’s a double-positive for [the haulers],” Hildebrand said. “The more they recycle, the more the rebate goes up and the less they pay for landfill fees because they have less going into the landfill.”

Rebates range from $20 to $150 per ton, depending on the category. But prices in some categories have slumped 20 percent in the last few months as...
the global economy has reeled, Hildebrand said.

Alpine hauled 268 tons of recycling in September 2007. That jumped 280 percent to 1,020 tons last month, according to the company.

“That just doesn’t happen,” Hildebrand said. “The company has pushed diversion with our customers; some are over a 40 percent diversion rate.”

“Diversion” means the amount of trash that’s diverted away from the landfill to a recycling plant or other processor.

**Jones Realty Inc.**, property manager for the Gates Corp. world headquarters at 1551 Wewatta St. in Central Platte Valley near Denver Union Station, is one Alpine customer that boasts a high diversion rate.

The 300,000-square-foot, 10-story office building has 400 Gates employees, plus 15 people on the janitorial crew. Trash is picked up two times a week, recycling is picked up three times a week, and the building has a compost bin for food-related trash, which is picked up once a week.

“Gates has had a long-term goal of working toward zero impact on landfills,” said Lisa Rapp, Jones’ property manager for the building. “We’re presently diverting 88 percent [of our trash].”

While employees had to adjust to life without a trash bin under their desks, the new recycling/composting program is going well, Rapp said. And September’s cost was less than what Rapp had budgeted under the building’s previous trash hauler, she said.

“It didn’t cost us anything out of budget to implement this,” she said.