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Stone producers can take a lesson from a contracting firm that employs a marketing program to promote its recycling business.

# Marketing Your Recycling Program

By Rodney E. Garrett

**C**onsider this. A two-acre parking lot is paved with the following materials: a six-inch base (3,000 st) using 100 percent recycled materials; a two-inch asphalt binder (1,000 st) with 80 percent of the materials coming from recycled asphalt paving; a one-inch wearing course (500 st) with 60 percent of the materials coming from recycled asphalt paving. This is six times the recycling materials typically used for this type of pavement design.

What recycler would not like to supply those proportionally high quantities of recycling materials for paving projects? It is being done every day in and around Norcross, Ga. The Dykes Paving & Construction Co. Inc., of Norcross is putting marketing might behind recycling materials, such as old concrete and asphalt paving. According to Jim Dykes, president, the key to having a higher proportion of recycled materials put into paving materials is having a marketing plan. Marketing "program" is the phrase Dykes uses in describing how his company sells more recycled materials per paving project. "We 'develop' jobs," he says, "by developing unique prod-

ucts and creating a demand for them by marketing them in the marketplace."

Dykes' background is rare for someone in the recycling industry because his formal education includes a civil engineering degree from the Georgia Institute of Technology and a bachelor's degree in marketing from Georgia State University. Both curricula, however, have come to good use for him in his recycling-business endeavors. He has the best of both worlds, knowledge of construction and civil engineering and knowledge of marketing.

Dykes started the company in 1968 with \$5,000 in borrowed money. The company has grown into several divisions. Today, the materials division of the company owns two new Excel portable recycling plants and a new Astec Double Barrel asphalt plant. There are 20 employees, including the office personnel.

The division is growing still. This coming spring Dykes will purchase another Excel portable recycling plant and another Astec Double Barrel hot-mix asphalt plant. Dykes says he will need the additional plants to meet the customer demands for his recycled products.



## Marketing methodology

One method of marketing is to "pull" the product through the marketplace. That is, create a demand for the product at the customer level. This is accomplished by directly informing the customer about the product and its benefits to him. Here, the customers are both in the private and the public sectors. They own roads, streets and parking areas. The customer here is thus an owner.

The reason for creating product demand with the owner is so the intermediate business (usually the paving contractor) linked with the manufacturer (the asphalt pavement producer) and the owner will comply with the owner's product specifications. Dykes not only recycles the materials but, with the asphalt plant, produces the end product that is either supplied to the contractor or his company acts as the paving contractor.

So, Dykes has his company's products pulled through the market. He calls the materials paving "products," not paving materials. These products have brand names for easily identifying and specifying them. To illustrate this "pulling" marketing procedure, his company constantly develops new paving products. Once a new product is developed, it is given a brand name and it is field tested. Dykes explains the field-testing phase.

"We arrange with different owners for having the new product laid at several suitable paving projects," Dykes says. "This enables us to observe



Jim Dykes, Dykes Paving & Construction Co., believes recycling products should be "pulled" through the market.

the product's structural integrity under actual road and parking-area conditions.

"A highlight within our field-testing program is the product is installed for the same price as the specified paving materials it is replacing," Dykes says. "We also give the owner a full warranty up to five years on the pavement. If the product fails, we will replace it, free-of-charge, with the originally specified materials. It is a fair deal for the owner, and good for us. We have an independent engineering firm inspect and evaluate the paving at the test site for an unbiased report. We want to be sure of the product's quality before it is marketed."

## Marketing Life Cycles

Every product (or construction method) has what is known as a marketing life cycle. It can be roughly divided into five phases:

- Product introduction.
- Rapid sales growth.
- Slow sales growth.
- Market maturity.
- Declining sales.

Jim Dykes, Dykes Paving & Construction Co., Norcross, Ga., understands these marketing characteristics well. Back in 1984, he became one of the first Georgia contractors to use cold plane milling machines for recycling in situ asphalt paving.

"In the early years (the rapid growth stage) the demand for our services was great," Dykes says. "Profits were good so we kept adding milling machines to stay up with the demands. Within a few years the company had six machines and the annual sales

were \$5.5 million.

Naturally, other contractors in the area quickly followed his company by buying their own milling machines, bringing this recycling method to the slow-growth stage. This is when contractors start reducing their prices to be competitive.

With many in the road-milling business, the jobs were harder to come by. It was at this stage that Dykes redirected his marketing efforts towards manufacturing products that required recycling plants, so all the milling machines were sold. He knew the in situ recycling method was headed for the maturity stage where contractors started drastic price-cutting to keep their milling machine(s) in work. Profits typically suffer from this action.

Dykes says the portable plant recycling method should have a longer life cycle because of the initial higher capi-

talization involved. While profitability is good in the recycling business, it requires an individual or company to have enough capital for purchasing the plant.

Also, the emphasis today is on recycling demolition materials. Demolition contractors welcome the availability of portable recycling plants because of landfill fees and excessive materials hauling. Many of Dykes concrete suppliers are also demolition contractors.

Developing new products and using marketing strategies has enabled Dykes to grow his company at a fast but controlled rate, thus ensuring good returns on the equipment. The principles used are sound. If a company does not have marketing expertise inside as the Dykes company has, it can retain the services of a marketing consultant for helping in making up a marketing program.



Once the field-tested results prove the suitability of the product, Dykes approaches interested buyers in the private and public sectors. "All our products have two things in common — they are superior to the alternative paving materials available and their installed prices are competitive with the owner's other approved paving materials," says Dykes. "This is the winning combination that enables us to get the owner to specify our product by name. All of our products come with a one-year warranty."

The company now has 25 different products including their variations. Each product can be modified to match the distinctive conditions (if any) found on a given paving project. Some of Dykes' better-known products include: Perma-Flex, Perma-Patch and Perma-Seal. These have been used for commercial and public applications, including some Georgia DOT (Department of Transportation) projects. Unlike some DOTs, Dykes says, the Georgia DOT is very receptive and supportive of new products such as his company's.

But what does all this have to do with recycling? Plenty. Most of the materials in the company's products include recycled concrete or recycled asphalt pavement. Dykes reasons it this way: "Develop unique and superior products and market them by creating an owner-demand for them. This reduces or eliminates the competition." The contractor has to buy Dykes' product if it is specified. It is hard for the other contractors to sell against a paving system that is superior in quality yet costs no more.

Of course, the greater the demand for Dykes products, the more recycled materials required. The demand for large quantities of recycled materials comes not only from the number of projects Dykes supplies but because most of the products' contents are recycled concrete and asphalt paving.

### High-quality materials

Dykes did not skimp on the production equipment used in producing the recycled materials. After much product investigation, he chose two portable recycling plants built by Excel Recycling & Manufacturing, Inc., Amarillo, Texas. He tells why he chose this brand plant, "I looked at many different plants available and think this one is the highest in quality. I also like the Excel company's policy that design-changes can be made without a hassle from them. Some companies wanted to sell me a recycling plant off the shelf but the plants would not best match our manufactur-



Old pavement is crushed (top) and finished material flows through Dykes Paving & Construction's Excel recycling plant.

ing requirements. Well-designed plants like these Excel plants can produce the high quality materials required for our products, including uniformity in the gradation."

Plant-one features a New Allis Minerals 30 x 42 portable jaw plant with a 20-ft. vibrating grizzly feeder mounted on a portable chassis. An Excel 200-hp, 15 HSI impactor mounted on a two-axle chassis also is included for further reducing materials size. The screening system is a New Allis Minerals ST 6 x 20 triple-deck, incline-type mounted on a tandem axle chassis. The conveyors and stackers were also built by Excel.

The plant is set up at Dykes' facility for producing recycled aggregates used for producing hot-mix asphalt products and base materials. Dykes says this plant can process concrete, asphalt pavement or shotrock. The production capacity is up to 400 st/hr for producing 1-1/2-in. base material from concrete. It can produce 150

to 200 st/hr of minus 3/8-in. and plus 3/8-in. to 5/8-in. aggregates from asphalt or concrete materials.

Plant-two is now on location at a nearby Blue Circle concrete ready-mix facility. It is processing 85,000 st of returned ready-mix concrete. The concrete was overage ordered by customers.

This plant features a Lippman 30 x 62 jaw crusher with a 43 x 75 vibrating pan feeder. A 62-in. x 20-ft. vibrating grizzly is featured. The crusher has an automatic lubrication system installed. The portable chassis has a four-axle suspension system and hydraulic quick-leveling jacks for leveling the chassis on uneven ground. For crushing materials smaller than 1-1/2 in., there is an Excel 200-hp 1520 portable impactor with a Simplicity triple-deck 6 x 20 horizontal screen mounted on a chassis with hydraulic leveling jacks. All the conveyors and stackers were built by Excel with an Industrial Magnet's magnet fixed above the discharge conveyor.

Processing the concrete through this plant has been very good, according to Dykes. It is crushing and screening the concrete to 1-1/2 in. at a rate up to 500 st/hr, with some pieces 28 in. thick by 60 in. square. Throughput materials sizes can range from 3/8-in. to 1-1/2 in. Like plant one, it also can process asphalt pavement and shot rock. ☐

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