

EXECUTIVE SUMMARY

Over the past ten years George Puvvada, P. Eng. of GVK Chemicals Inc., provided technical consulting services to several clients of light industrial sector in the areas of chemical, metal and pigment recycling, blending, packaging and selling; which falls under the category of 'light industrial uses which are substantially enclosed in buildings' of Cobourg industrial zoning classification.

Steel industry in particular produces a by-product namely mill scale which contains more than 90% of iron component. This makes it a very good candidate for recovering and recycling for its iron value. Currently the steel industry in Ontario is selling this by-product to overseas market. The intent of this business model is to purchase the mill scale from these industries especially from the ones located in Ontario and produce iron products such as iron metal powder and iron metal. The process steps involved in producing these products are simple and well known to the industry.

The steps include are grinding of mill scale, cleaning and then reducing to metal powders. The metal powder thus produced will be bagged and shipped to clients across Ontario and Quebec. Iron metal is produced by melting the mill scale and the iron units will be sold to the clients in Ontario and Quebec. Initially it is expected to commence production through a ramp up phase and once a satisfactory throughput has achieved production will increase to the target rate. It is estimated this business plan would generate employment for about fifteen skilled and trades people on a full time basis, and may also employ another two people on a part time basis. Thus a total seventeen people will be required to operate this facility. Shift break down of the full time crews is given in next page.

GVK Chemicals plan to design and build the unit in a phased manner, where it intends to meet the minimum construction requirements initially and then expand in future as the business needs increase. However, it will not exceed the maximum construction limit imposed by the Cobourg's municipal government planning division at any time. It is our intent to abide by all the applicable by-laws and contribute to the welfare and development of Cobourg and its surrounding Northumberland community.

With this brief note, we submit this request to the Small Business Facilitator of Cobourg Economic Development Unit for review and consideration for the allotment of the 2 acre industrial site located in the Lucas Point Industrial Park of Cobourg for purchase.

Table 1: Estimated compliments required during full production

		Monday		
		D/S	A/S	N/S
Foreman 1	Crew1	Y	-	-
Operator 1		Y	-	-
Operator 2		Y	-	-
Mill wright 1		Y	-	-
Foreman 2	Crew 2	-	Y	-
Operator 3		-	Y	-
Operator 4		-	Y	-
Mill wright 2		-	Y	-
Foreman 3	Crew 3	-	-	Y
Operator 5		-	-	Y
Operator 6		-	-	Y
Mill wright 3		-	-	Y
Shipper/Receiver	regular shift			
Cleaner	regular shift			
Manager 1	regular shift			