



Press release

Media Contacts: Lori Carson
Phoenix Technologies
(419) 353-7738
l.carson@phoenixtechnologies.net

Sophia Dilberakis
SD Communications
(312) 787-5800
sophiad@att.net

**Phoenix Technologies receives Canada Health letter of
'no objection' for up to 100% LNO™ c brand rPET usage**

Bowling Green, Ohio (January 13, 2010) —Phoenix Technologies has received a letter of “no objection” at a level up to 100% from Canada’s Health Products and Food Branch, Health Canada for the process used to produce the company’s LNO™ c brand of recycled, food grade polyethylene terephthalate (rPET) resin. (Health Products and Food Branch is the Canadian counterpart to the U.S. Food & Drug Administration.)

The Food Packaging Materials and Incidental Additives Section of the Chemical Health Hazard Assessment Division was responding to Phoenix’s request for comments on the acceptability of the recycling process for treating “PET material that will be used in the manufacture of containers used for packaging all food types under conditions of use ‘boiling water sterilized’ through ‘frozen or refrigerated storage: ready-prepared foods intended to be reheated in a container at time of use.’”

“We have been working with Canadian manufacturers on commercializing various food and beverage packaging applications. As such, we are very pleased to now have a letter of no objection for 100% rPET content from Health Canada to support our technology,” said Lori Carson, sales and marketing manager, Phoenix Technologies.

In 2008, Phoenix had received a similar letter of ‘no objection’ from the Food & Drug Administration for U.S. food packaging usage.

MORE

Phoenix Technologies
Page 2

The LNO™ c process relies on Phoenix’s patented “extremely small particle size” technology. The tiny particle size enables much more efficient decontamination compared to other processes, resulting in faster output and significant energy savings. (The “c” in the brand name refers to the “compacted” resin that is the end result.)

LNO™ c technology produces rPET with superior color and yield as compared to other methods. Further, it has lower acetaldehyde (AA) levels which positively impact taste properties. Another benefit is its consistently higher intrinsic viscosity (IV) or molecular weight which more closely matches the IV found in virgin resins. This enables higher package performance.

“Color, yield and taste attributes have traditionally been stumbling blocks in producing viable rPET—particularly with very sensitive liquids, such as water. Our LNO™ c process overcomes those obstacles,” Carson said.

Although there have been successful commercializations of packages made from 100% rPET, most food grade applications typically run between 25-50%. The percentage of rPET vs. virgin resin will depend on individual product and processing parameters coupled with supply and economic impact.

In addition to creating rPET resin for sale directly to blow/injection molding and thermoforming operations, the company is also making its technology available to others (via license, partnership or turnkey system installation) wishing to set up their own rPET operation.

“Our philosophy is that rPET supply is better suited to multiple, smaller, processing operations across North America, vs. one or two large capacity plants. We believe in a local ‘consume, collect, convert’ approach. By locating rPET production in closer proximity to resin users, you improve supply times and reduce the carbon footprint,” Carson explained.

“Further, we’ve listened to the marketplace and have been able to engineer a resin that eliminates or minimizes many of the challenges that have prevented rPET from

MORE

Phoenix Technologies
Page 3

becoming a commercially viable alternative for many applications in the past. These include color, viscosity, AA content and others,” she said.

Phoenix’s LNO™ c resin has been commercialized for a variety of containers both in the United States and Canada. Applications include water, beverage, deli, drinking cups, etc.

About Phoenix Technologies

Phoenix Technologies is a global leader in recycled rPET manufacturing. The company produces clean, consistent and high-grade rPET resin pellets from post consumer recycled plastic flake shipped from all over the world. As the foremost manufacturer of rPET, Phoenix sets standards for quality, technology, service and value. Phoenix Technologies is a member of Plastic Technologies, Inc., Holland, OH family of companies. For more information: www.phoenixtechnologies.net.

#

Please forward sales inquiries to:

Lori Carson
Sales and marketing manager
Phoenix Technologies, Inc.
1098 Fairview Ave.
Bowling Green, OH 43402
Phone: (419) 353-7738
Email: l.carson@phoenixtechnologies.net