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ReNewable Products wins shelf space at 5,000 stores



Thompson Street Principal Jim Cooper said demand for environmentally friendly products is up since 2005.

ReNewable Products Inc., the Lebanon, Mo.-based company that makes biodegradable disposable plates and bowls under the EarthShell brand, has a deal to give it access to the shelves of more than 5,000 stores nationwide.

The space from big retailers, including Wal-Mart Stores Inc., Target Corp. and Whole Foods Market Inc., gives ReNewable its largest visibility and growth opportunity since it was created in 2005. ReNewable is owned by Thompson Street Capital Partners and is the only company that the Clayton-based private equity firm has ever created from scratch.

Bob Pondo, vice president for sales at ReNewable, said other retail chains that will be selling ReNewable plates and bowls this summer are H.E. Butt Grocery Co. of San Antonio; Meijer Inc. and Spartan Stores Inc., both based in Grand Rapids, Mich; Gelson's Markets, a unit of Compton, Calif.-based Arden Group Inc.;

and Kowalski's Markets of Woodbury, Minn. Publix Super Markets Inc. of Lakeland, Fla., also is testing the EarthShell products in more than 400 stores.

St. Louis-based Schnuck Markets Inc. was one of the first grocery chains to sell ReNewable Products' nine-inch dinnerware plates and 12-ounce bowls. The products are made from corn and potato starch, and limestone.

Pondo declined to disclose ReNewable Products' financials, including how much revenue the company expects to generate from the new business coming from national retailers. But he said the company hopes to reap big benefits from an increasing environmental consciousness in the United States and demand for biodegradable disposable products.

"We are now in the top 25 food and grocery mass markets in the nation, and we think there's higher opportunity," Pondo said.

ReNewable Products has capacity to produce 300 million

bowls and plates annually at its Lebanon plant, Pondo said. The company's competitors include Carpinteria, Calif.-based Biosphere Industries Corp.; Hawthorn, Calif.-based Cereplast & Nat-Ur; and Kalamazoo, Mich.-based Fabri-Kal Corp.

Jim Cooper, a principal of Thompson Street, said ReNewable may have to increase its manufacturing capabilities in Lebanon or build other plants close to its largest customers to meet demand. The company, he said, has started getting requests to make other types of disposable products including trays and food packaging containers.

"People are recognizing we've got to do something," Cooper said.

Thompson Street typically invests in well-established companies with revenue of \$20 million to \$200 million. The company's eight portfolio companies generated more than \$590 million in combined annual revenue in 2006.