

Hycrete Sees Boom In Demand For Waterproofing Product

By Sari Krieger

9/2/2008 – Green concrete product maker Hycrete Inc. has seen its business boom recently with nine new projects in India within the last few months and 60 new projects over the last two years, Clean Technology Insight has learned.

"[Companies] are getting a taste of the performance," said Hycrete Chief Executive David Rosenberg in an interview. "They saw some early success in a project and the testing has been off the charts."

The Carlstadt, N.J.-based company makes a solution that waterproofs concrete when added to it, negating the need for a protective membrane on a building. Because membranes are petroleum-based, Hycrete's product provides environmental benefits too. Rosenberg also says the product allows builders to complete a structure faster and cheaper and makes maintenance easier.

Over the last three months, Hycrete has seen its product used in nine new projects in six locations in India. Rosenberg said the damp environment and construction boom in India makes it a good location for this product. "It looks like there is no end in sight [in India]," Rosenberg said. "The whole country is under construction. They're making up for lost time and with the growing middle class and higher wealth in the country, there is construction going on everywhere."

The boom in Indian business includes the Palais Royale in Mumbai, which required 100,000 gallons of the company's product. Before this sale, the company's biggest project had been a U.S. building that needed 10,000 gallons. A typical 30 story building foundation would require 8,000 gallons of the waterproofing solution, Rosenberg said.

While Rosenberg said he couldn't specify the exact value of the Palais project, he said it was worth more than \$1 million for the company. The other new projects in India used between thousands to millions of dollars worth of Hycrete's product, Rosenberg said. And he said he expects more big projects to come.

The company started operations in 2003 and expects to hit its 100th project by the end of the year. Rosenberg estimates that the product was used in 30 projects in 2007 and 30 already this year. He expects at least 10 more by the end of 2008.

The first few years were slow, Rosenberg said, because the construction industry was reluctant to change.

"In the construction industry there is the big sense of 'I want to see it to believe it'," he said. "But if you can show them it can be done and it has been done they get comfortable. Somewhere in the past two years ago we crossed that threshold into 'this works'." Rosenberg said the company's growth will continue to "explode" and it will expand into Europe this year.

Ashley Katz, a spokeswoman for the independent U.S. Green Building Council said green concrete is used by many buildings certified as green by the council.

Hycrete in July closed a Series C round of financing, raising \$15 million for international expansion and hiring new staff. Rosenberg said at the time that the company planned to use the money to hire new personnel and break ground on two new manufacturing facilities -- one on the west coast of the U.S. and one at a yet-to-be-determined international location.

The company also plans to hire new personnel to direct its marketing and manufacturing operations.

<http://www.hycrete.com>