



Fall 2011

SURPLUS MACHINERY  
FOR INDUSTRY

# Absolute Info

## Machinery Dealers National Association promotes ethics among members

There are a lot of used plastics machinery sources in the manufacturing world, Absolute Machinery being a stand-out in the industry. Some are on your side. Some put self-interest before the customer's well-being. The question is how do you tell the good guys from the bad guys?

One indication of the ethics of a used machinery dealer is whether or not they are a member of the Machinery Dealers National Association (MDNA). It's not the only way, and just because someone isn't a member, doesn't make them immediately unethical. But if a company is a member, then it has

agreed to comply with the Association's code of ethics.

MDNA was established in 1941 to assure buyers of the integrity and reliability of used machinery dealers. Its foundation is the Association's Code of Ethics. You should have it on hand for reference when you are negotiating with a used equipment dealer. You can obtain a copy of the code of ethics [HERE](#) or by visiting the website at [mdna.org](http://mdna.org).

Policed by association members, complaints of code violations are handled by its Ethics & Mediation Committee.

Other reasons to work

with an MDNA member include their knowledge of the used equipment markets and their technical expertise.

Absolute Machinery proudly displays the MDNA emblem. We are actively involved on the local and national level. It is proof that our company's reputation is built on expertise and trust.

Because our reputation is important to us, we make sure to sell consistently high-quality machinery. That's the Absolute way.



## Absolute Machinery teams with Absolute HAITIAN to expand inventory

For the past 10 years, the used plastics machinery marketplace was hot. Tough economic times meant that processors reduced their machine inventory or closed their doors and auctioned off their used plastics equipment. Used machines were readily available.

But those days are over. Now it's not as easy to find good used equipment. Here's where Absolute Machinery's relationship with our affiliate, Absolute HAITIAN, sets us apart. Customers of Absolute HAITIAN want to trade in used equipment when buying their

new machines. This gives Absolute Machinery a line on available used machines, keeping plenty of used plastics equipment in stock.

So keep your eyes on the inventory lists found on [AbsoluteMachinery.com](http://AbsoluteMachinery.com). We have new items every week.

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# Used electric machine technology appears in the market

We are finally seeing all-electric injection molding machines arrive in the used machinery marketplace. Absolute Machinery has several all electrics from Toshiba, Sumitomo, Milacron, Zhafir and others available for purchase.

Interested in testing out all-electric technology before jumping all in? A used machine is the way to go. Here is just a sample of the inventory we have in stock:

**Toshiba all-electric molding machine:** Tonnage: 45 tons, Shot size: 1.5 oz., Platen size: 18" x 18", Distance between tie bars: 12.6" x 12.6", Daylight (min/max): 5.9" x 22.4", Year: 1999

**Sumitomo all-electric molding machine:** Tonnage: 40 tons, Shot size: 1.04

oz., Platen size: 16.3" x 16.3", Distance between tie bars: 12.6" x 12.6", Mold space (min/max): 6.30" x 8.07", Year: 2007

**Zhafir all-electric Venus molding machine (lab):** Tonnage: 214 tons, Shot size: 8.08 oz., Platen size: 33.66" x 31.89", Mold space (min/max): 7.87" x 21.65", Max daylight: 40.16", Distance between tie bars: 22.44" x 20.47", Spare screw and barrel, Year: 2008

Visit [absolutemachinery.com](http://absolutemachinery.com) to check out our complete inventory of machinery and equipment for the plastics industry.



## Market snapshot: Automotive

From front grills and body panels to underhood applications and interior trim, automotive remains the largest user of plastics of any end market. The improved production picture for automotive is a significant driver of the increased demand for plastics equipment in 2011.

Some automotive industry highlights:

-North American automotive production from January to October 2011 is up 9.3% over the same period in 2010.

-Year-to-date production at the Big 3 (Chrysler, Ford, GM) is up 13.4% and production at Hyundai is up 13.1%.

-While year-to-date numbers for Honda and Toyota are down due to production problems experienced earlier in the year, they recovered by the month of October, with production up 12.9% and 14.3% respectively.

-The total number of vehicles (car, light, medium and heavy truck) produced from January to October 2011 is 11,206,218 –

not a record but a very strong showing.

-While some analysts are forecasting 2011 will hit 13 million, GM is predicting that U.S. sales will reach 14 million vehicles by the end of this year.

-October sales were the best since August 2009, which was fueled by the “cash for clunkers” program.

-Hyundai and Kia’s explosive sales have resulted in thin inventories and maxed out production at its assembly plant in Montgomery, Ala. Hyundai surpassed its full-year 2010 sales by October with sales up 21%, creating an inventory shortage. Hyundai does not intend at this point to expand its U.S. manufacturing / assembly capacity. Instead, they will import additional inventory from South Korea.

-Ford continues to lead in the development of plastics applications. They recently won the top prize at the SPE Automotive Innovation Awards for the application of MuCell molding technology for the Ford Escape’s instrument panel.

-Don Johnson, vice president of U.S. sales for GM, is predicting flat to slightly up auto sales for 2012.

*Thanks to Plastics News, Edmund’s Auto Observer.com, Ward’s Auto World, and Autonews.com for this data.*



## 2011 is the perfect year to invest in equipment—act now!

The Federal Government is offering a "tax sale" for 2011 whereby new equipment purchased and for use before January 1, 2012 can be expensed immediately at 100%. From a tax savings perspective, this provision allows for the absolute best possible return on investment for new equipment purchased, making 2011 the best year to invest in your business. Many businesses owners have their eye on new equipment that they are confident will help them improve their bottom line by making their business more efficient. Whether it be a new press, a new crane, or other major equipment, most business owners desire new equipment that could improve their bottom line.

In a recovering economy, it is crucial that businesses ensure that major purchases pay for themselves (depreciate)

within a reasonable timeframe and start generating much-needed net revenue without causing too many short-term

difficulties. Taking advantage of this opportunity now can help you sharpen your competitive edge as the economy continues to recover. To put it more bluntly, for this year and this year only, a new steamroller bought today can be expensed immediately as if it were office supplies. Furthermore, there is no cap on the amount of bonus depreciation. Therefore, bonus depreciation is available to any business, large or small. Lastly, bonus depreciation is available for new equipment that is financed and the loan is paid off over time.

This kind of "tax sale" opportunity has never been offered before, and, after

December 31<sup>st</sup>, 2011, it is unlikely to return in the foreseeable future. If you have available money in your short-term budget and you were eying that new piece of equipment, it is highly advisable that you invest in new equipment this year. American Airlines, for example, jumped on the opportunity, despite difficulties in the aviation industry, and purchased 50 new planes from Boeing this year, which they will be able to fully expense immediately. Contact your financial advisor and ask them how 2011's bonus depreciation rules could make it the perfect time for you to invest in new equipment to help you increase productivity, efficiency, and profitability.

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## Plastics industry facts indicate importance to U.S.

The *Society of the Plastics Industry* tracks how important the plastics industry is to the U.S. economy. Here are some facts about plastics manufacturing that make for interesting cocktail party chatter.



-The plastics industry is the third largest manufacturing industry in the United States.

-The U.S. plastics industry employs more than 1 million workers.

-The U.S. plastics industry creates \$374 billion in annual shipments.

-There are more than 17,600 plastics facilities in the United States.

-The U.S. plastics industry had a \$10.9

billion trade surplus in 2007.

-The plastics industry has a presence in every state.

-Since 1980, U.S. plastics industry shipments have grown 3.1 percent per year.

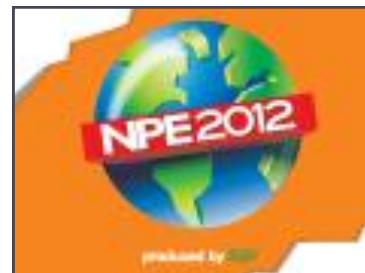
-Over the past 27 years, productivity in plastics manufacturing has grown 2.2 percent per year, which is faster than productivity growth for manufacturing as a whole.

## NPE2012 lands in Orlando

NPE2012 is right around the corner and attendee registration is open for this important triennial plastics trade show. Taking place on April 1 – 5, NPE will be held in Orlando, Fla. for the first time. Conferences begin on April 1 and the show floor opens April 2—5. Exhibit sales for NPE2012 have surpassed 2009 and the show is being billed as "the return of the machines."

SPI is expecting more than 75,000 attendees. To become one of them, register to attend at [www.npe.org](http://www.npe.org).

And if you make it to Orlando, look for our affiliated companies, Absolute HAITIAN in booth 1573 and Multitech in booth 1283.



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## Your Used Machinery Partner

Absolute Machinery Corporation is the leading source for used plastics processing machinery and auxiliary equipment. We help customers optimize their operations and profitability by providing high-quality machinery at a great price.

**Massive inventory:** We have multiple warehouse facilities throughout North America stocked with hundreds of items from molding machines to extruders, dryers, conveyers, robots, granulators and more.

**Technical Support:** Our highly trained engineers provide installation, start-up, troubleshooting, and equipment and system engineering.

**Asset management:** Auctions, cash purchases, consignment sales, liquidations and more—the Absolute Management team is here to help.

**Appraisal services:** Our team includes a certified equipment appraiser and licensed auctioneer. We can provide you with reliable, accurate and comprehensive appraisal services.

**Our reputation is stellar:** We are members of the Machinery Dealers National Association, the Association of Machinery and Equipment Appraisers and the European Association of Machine Tool Merchants. Our business relationships are built on trust.

## Sign up to receive our newsletter

If you would like to continue to receive our newsletter or sign up to be notified about our used equipment inventory, use the QR code below to reach the newsletter sign-up page on our website.

