

# EcoLube Recovery

By M. Diane McCormick



In a world of conglomerates and mergers, customers in the Pacific Northwest prefer doing business with locals.

That's the niche filled by EcoLube Recovery (ELR), bringing state-of-the-art rerefining with personalized customer service to Washington and Oregon. Today, EcoLube is the only maker of rerefined base oil in the Pacific Northwest, growing on a base of customer service and providing solutions.

EcoLube Recovery was formed in 2017. That was when a group of local investors looking for opportunity in green energy and recycling acquired American Petroleum Environmental Service (APES), an environmental services company dating to 2001.

Though the investors had no experience in oil recycling, the CEO they recruited, Eric Spencer, grew up in the business. His father founded a successful oil recycling company and served on the founding board of NORA.

When his dad's company was acquired by Thermo Fluids,



Spencer stayed. By the time the EcoLube Recovery owners came calling, Thermo Fluids had been absorbed into a national entity. Spencer made the leap because he remembered how much he enjoyed working with the family-owned, regionally focused Thermo Fluids.

He also pointed out to the ELR owners that the area's history offered inherent growth opportunities. Until the mid-2010s, he told them, regional players Thermo Fluids and Emerald had engaged in healthy competition. In that atmosphere, the national players largely stayed away. With Thermo Fluids and Emerald now acquired by a national player, that left the field open for a new regional entry.

At ELR, Spencer has helped lead growth. The strategy has been simple. From the APES platform, the owners invested in additional processing equipment and improved management of rerefined oil.

"In the last six years, we went from being a really small company to the only true regional company in the area that gives an alternative to the national players," says Spencer. "That



really fueled our success, and we grew at a really fast rate.”

The enterprise has grown from three locations to seven. Major investments have gone into updating and moving the original sites, fully equipping the new locations, putting capital into the refinery, modernizing the fleet, and hiring top expertise, including people Spencer had worked with throughout his career.

“We created a good customer service-related company with fair pricing,” he says.

Diversification of back-end markets also helped propel growth. While ELR retained APES’ original operations, including base oil, marine fuels, and industrial fuels, the company created a portfolio of products and services that allows shifts depending on demand and pricing.

“We’re not locked into just one thing all the time, which can make you a little more susceptible to market changes,” says Spencer.

Today, ELR provides used motor oil collection and recycling, environmental partnerships, non-hazardous waste disposal, vacuum truck services, oil filter collection and recycling, antifreeze collection and recycling, plus a washer fluid product.

The full-service lineup attracts high-profile, marquis customers who create route density by generating sizeable quantities of materials at multiple locations.

“Especially in this day and age, where the cost of equipment and materials is through the roof, you’ve got to have a

lot of volume to support the routes,” Spencer says.

Modernization of the fleet has been a key factor in bulk-ing up services and advancing the company’s safety culture directly to customer sites, says Spencer. Plus, well-equipped trucks help attract experienced field-service staff who have industry or relevant experience. They like the idea of working for a growing enterprise that’s doing good things for the environment.

“They’re the face of the company,” he says. “They represent the company well. They feel a connection to the company, and that’s important.”

A clean compliance record is a bedrock principle. One of Spencer’s first priorities on joining EcoLube was reaching out to oversight agencies and reinforcing relationships that had frayed under previous ownership.

“What you’re offering your customers is security of how products and materials are managed,” Spencer says. “To me, compliance in our business is the number one thing you need. That gives you a competitive edge, and it gives your clients comfort that you’re doing the right thing.”

A six-person sales team constitutes more than 100 years of experience, consulting with clients to support their compliance efforts. That team supports solutions, offering the range of services the clients might need, while also connecting them with local partners for other services that ELR doesn’t provide, such as hazardous waste management.

When one client based outside of the region acquired a



site that turned out to have major environmental problems, ELR helped guide the process of interfacing with agencies while also bringing in an expert on subsurface investigations and contamination.

“At the end of the day, even though it was a battle for that customer, we helped them get to the endpoint, and it turned out to be a fairly positive result,” Spencer says. “They could look back and say we helped them get to the end of the road.”

EcoLube also owns Idaho-based Gem State Oil Recovery. That strategic acquisition was inspired by customers who had been asking for services in Idaho. Building capabilities from the ground up was a stretch for ELR, but then the owner of the highly reputable Gem State Oil Recovery felt it was time to join a larger entity. As his markets were changing, he saw an opportunity in being acquired by ELR and adding rerefining options for his collected oil.

Since the acquisition more than a year ago, Gem State has retained every employee. The company retained its hard-earned name and is identified as an EcoLube Recovery company.

“We left the name in place because they are so well known and so well liked in the Idaho market,” Spencer said. “They have a great group of drivers, with long tenure in the field. We’ve been able to bring them into the fold and elevate them in some ways but also adopt some of the things they were doing really well.”

ELR’s Plans for the future are focusing on further refinements in the progress the company has made in seven years, maximizing throughput to higher levels will enable more collections. A new satellite location is opening, and others may be ahead.

“We’re focused on continuing to have a good service footprint that can support the plant, and make sure the plant can handle that growth,” says Spencer. ■