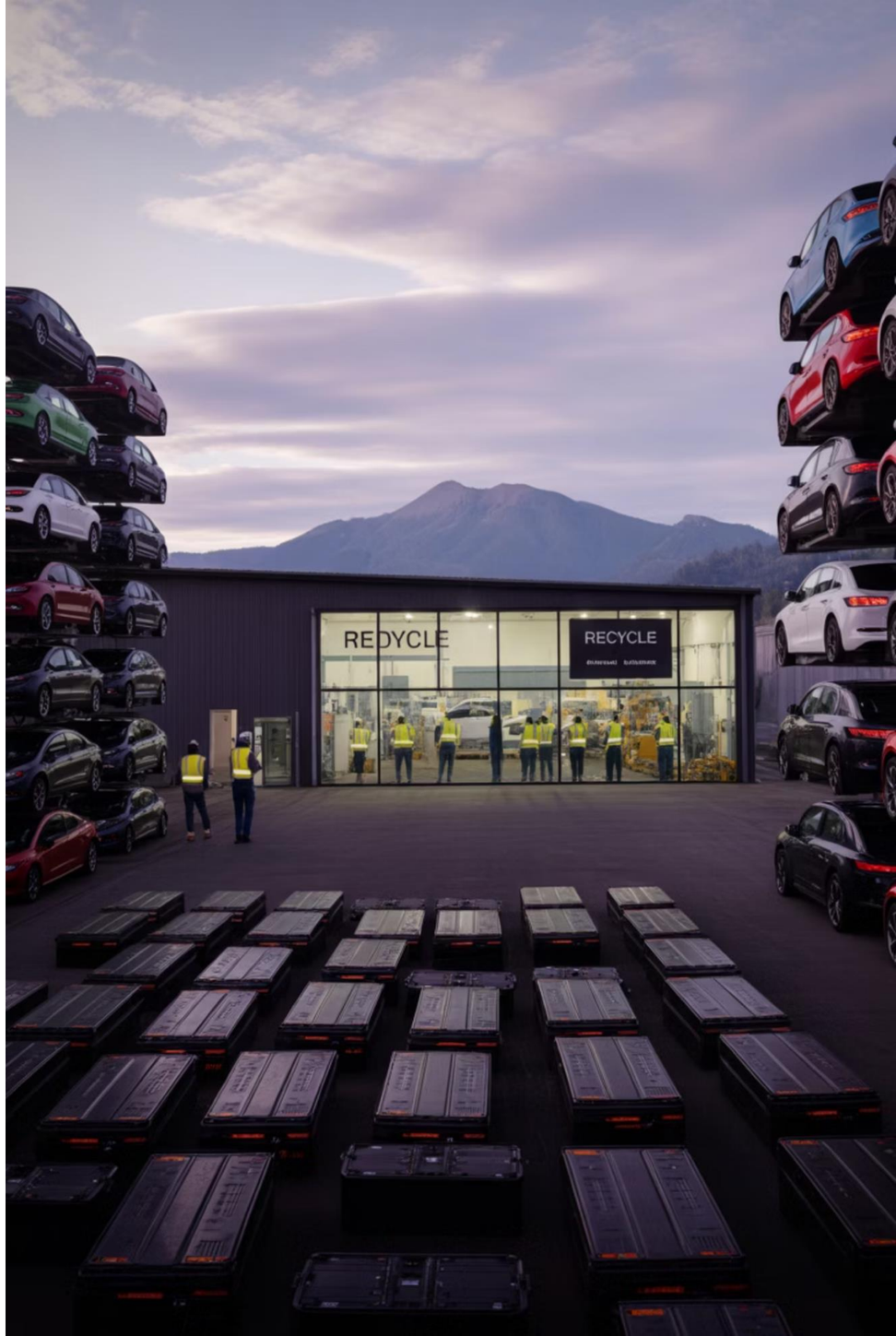
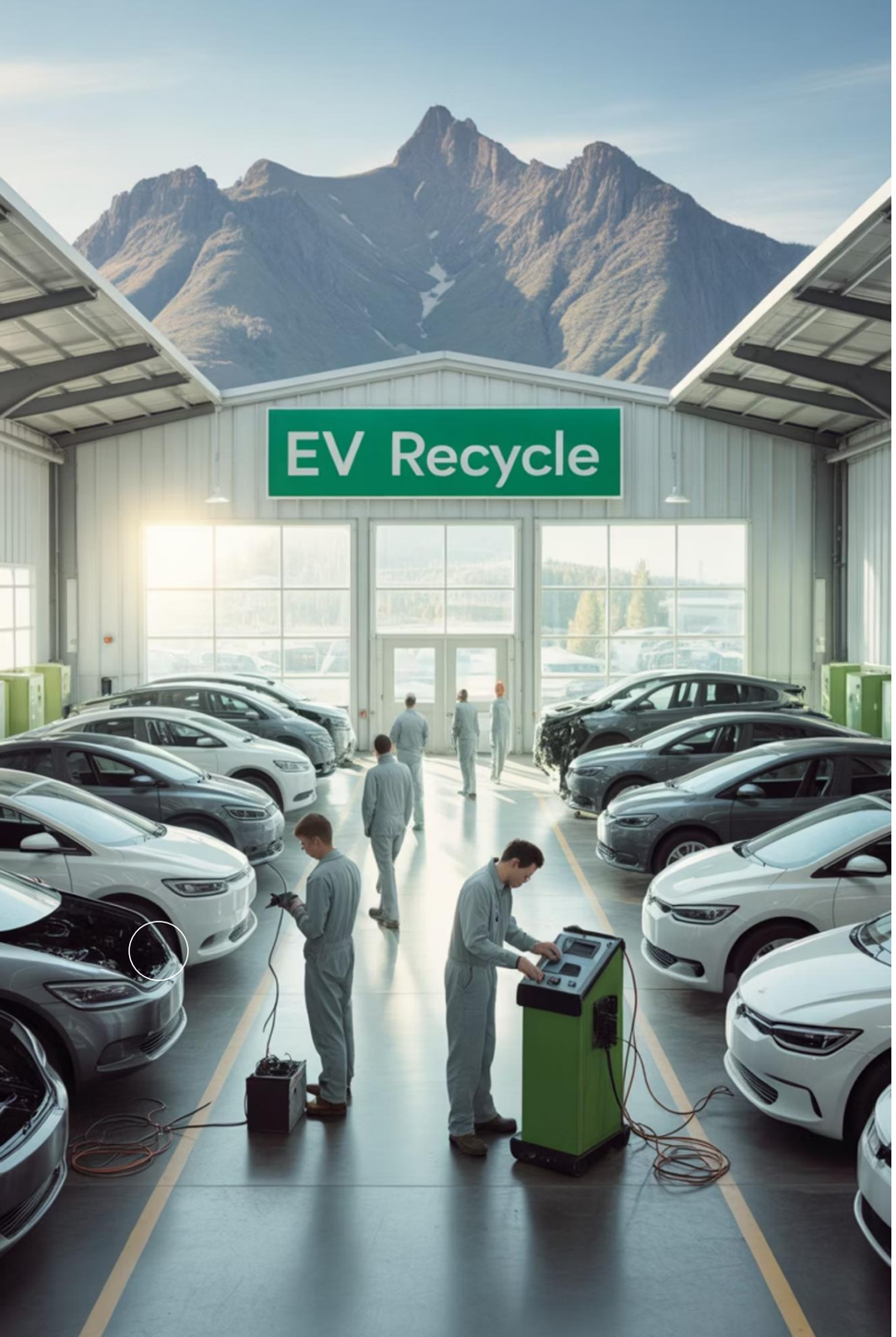
Electric Vehicle Specialized Dismantling Facility

Alabaster Holdings

We build dreams

Alabaster Holdings Group will establish a specialized electric vehicle (EV) dismantling facility in the City of Blaine and lead the EV market.





EV Specialized Dismantling Facility Business Plan

This business plan introduces the strategic opportunities and revenue model of an electric vehicle–specialized dismantling facility located in Blaine, Washington. By leveraging Blaine's geographical advantage at the U.S.–Canada border, the project aims to respond to the rapidly increasing demand for EV dismantling and to build a sustainable business model.

This plan targets environmentally friendly business operations through EV parts reuse and battery recycling, contributing to local economic revitalization and the development of green industries.

Optimal Timing for Market Entry – Rising EV Scrappage Trend

United States

560,000

+

Canada

30,000

Total: approx. 590,000 vehicles

U.S. Plug-in EV (, AFDC / AutoInsurance.com)

(2011–2016 U.S. + Canada figures were conservative estimates; publicly released data indicates approx. 600,000 vehicles annually)

EV Scrappage Rate Data

- Between 2013–2022, approximately **6.6%** of registered EVs in the U.S. were scrapped
- During the same period, **5.2%** of internal combustion engine vehicles were scrapped
- EVs show a slightly faster disposal rate
- EVs have a higher scrappage rate even for minor accidents
- Battery damage repair costs reach **40–70%** of new vehicle prices

U.S. Plug-in EV Shipments (Annual)

- EV registrations grow **30–40% annually**, leading to a proportional increase in scrapped EVs
- Estimated EV scrappage in **2026: 52,000–130,000 vehicles**
- Sources: IEA, Bloomberg, S&P Global

Optimal Timing – Washington State EPR Law Implementation

Washington State's **Extended Producer Responsibility (EPR)** law mandates battery manufacturers and importers to collect and recycle products.

Applies to lithium-ion and EV traction batteries	Responsible parties: manufacturers, distributors, importers
Obligations:	Establish battery collection and recycling programs
Penalties	Sales bans and fines for non-compliance

Market Impact

- Formation of EV battery dismantling and collection market
- Manufacturers require certified battery collection partners
- Increased contracts with professional dismantling companies
- Only certified recycling pathways allowed

Business Opportunity

- Companies capable of compliant battery handling can collaborate with manufacturers, dealers, and governments
- Washington State enforces one of the strongest battery EPR systems in the U.S.

Optimal Timing – Increase in U.S.–Canada Cross-Border Trade

1

1. Cross-Border EV Battery Collection Agreements

- Call2Recycle × VMX International partnership
- Covers battery removal, temporary storage, shredding, and cross-border logistics
- Establishes a compliant EV battery management network

2

2. Government-Level Cooperation

- 2023 White House announcement on rail infrastructure and critical mineral cooperation
- Harmonization of charging standards and cross-border charging infrastructure
- U.S.–Canada joint action plans on rail and minerals

➞ These initiatives create opportunities for a Blaine-based EV dismantling hub to serve as a cross-border gateway.

Optimal Timing – IRA Subsidy Linkage Opportunity

The **Inflation Reduction Act (IRA)**, effective August 2022, promotes green industries.

Tax credits and subsidies for battery recyclers

Enhanced profitability and sustainability

OEM subsidy eligibility when using recycled materials

IRA significantly increases the growth potential of EV dismantling and recycling businesses.

Washington State Competitor Analysis

Company	Location	Strengths	Weaknesses
Pull-A-Part	Tacoma outskirts	Strong ICE dismantling	Weak EV expertise
Greentec Auto	Auburn, WA	Hybrid battery recycling	Limited full EV dismantling
LKQ Pick Your Part	Vancouver, WA	Nationwide scale	Lacks EV specialization
Tesla	Fremont	In-house refurbishment	No external distribution

Strategic Advantage

No EV-exclusive dismantling facility in the **Blaine–Bellingham–Everett** region

No competitor leveraging proximity to Canada

➞ First-mover advantage in Blaine.

Revenue Model 1 – High-Value Parts Dismantling & Distribution

Target Components

Drive motors, inverters, onboard chargers, DC-DC converters, BMS, vehicle control units, displays, charging ports, heat pumps, sensors.

- Vehicle diagnostics and grading (A/B/C)
- Certified used parts sales

Online B2B platforms and EV repair networks

Category	EV	ICE
Dismantling fee	$200~$500	$100~$200
Battery/Motor/Inverter	$1,000~$3,000	$100~$400
Scrap metals	$300~$700	$100~$250
Other electronics	$100~$400	$10~$100
Total	**$1,600~$4,500**	**$300~$900**

Pricing

Motors, inverters, charging ports sold at **30–40%** of new prices

Revenue Model 2 – Battery Recycling

Incoming battery diagnostics

(SOH measurement)

SOH

•SOH ≥ 70% → ESS refurbishment
•SOH < 70% → Recycling sale

Revenue Realization

Reuse: Sold at 50–70% of the price of a new ESS
Recycling: Revenue is calculated based on the amount of metal recovered

$2,500

Metal Value per Ton of Battery

Maximum value of cobalt, lithium, and nickel extracted from lithium-ion batteries

U.S. Battery Scrap Prices (as of May 2025)
- Average price: approx. **$2.00 per pound**
- Converted per ton: **2,000 lb × $2.00 = $4,000 per ton**

That is, about **$4,000 per ton** is the industry average, with the **minimum price around $3,000 per ton**.

$6,000

Revenue After ESS Conversion

Maximum selling price after converting one **100 kWh battery pack** to an ESS

Used Pack Price Compared to New
- New battery pack price: approx. **$139/kWh**
- New pack total: **$13,900** (based on 100 kWh)
- Used pack can be resold at up to a **43% discount**, around **$6,000**

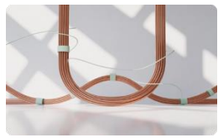
Additional revenue streams can also be generated through installation, maintenance, and carbon credits.

Revenue Model 3 – Metal Scrap Sales

Dismantling Targets and Scrap Materials

- **High-strength steel:** EV chassis / frame
- **Aluminum:** Doors / hood / trunk / suspension / wheels
- **Copper:** Electrical wiring, motor components
- **Others:** Stainless steel, brass, etc.





Material	Qty	Price/Ton	Revenue
High-strength steel	0.9t	$250	$225
Aluminum	0.15t	$1,400	$210
Copper	0.02t	$7,000	$140
Total			$575

Based on **one mid-size EV**, approximately **$575 in revenue** can be generated **from metal scrap alone**.

Revenue Model 4 – Insurance Vehicle Purchase & Dismantling Service

Accident Vehicle Acquisition

1

Total-loss or malfunctioning EVs are purchased or consigned from insurance companies, dealers, rental car and leasing companies.

Vehicle Transportation & Intake

2

Vehicles are transported from **accident sites or insurance yards** to the dismantling yard or disassembly facility.

Dismantling / Disassembly & Parts Sorting

3

Major components, metals, batteries, and electronic parts are thoroughly dismantled and graded.

Issuance of Dismantling (Scrappage) Certificates

4

Certificates of Destruction (COD) and **Recycling Certificates** are issued to insurance companies.

$200

Minimum Dismantling Fee

The minimum service fee charged per vehicle to insurance companies or dealers.

$500

Maximum Dismantling Fee

The maximum fee, including documentation processing, transportation, and dismantling services.

$2000

Additional Revenue from Parts Sales

Additional sales revenue per vehicle from high-value parts, batteries, and metals.

Revenue Model 5 – High-Voltage EV Technician Training

Program Overview

- 400–800V EV & battery training
- Practical safety, dismantling, diagnostics
- Government-certified institution
- Official certificates issued

Revenue Structure

Government Training Subsidies:

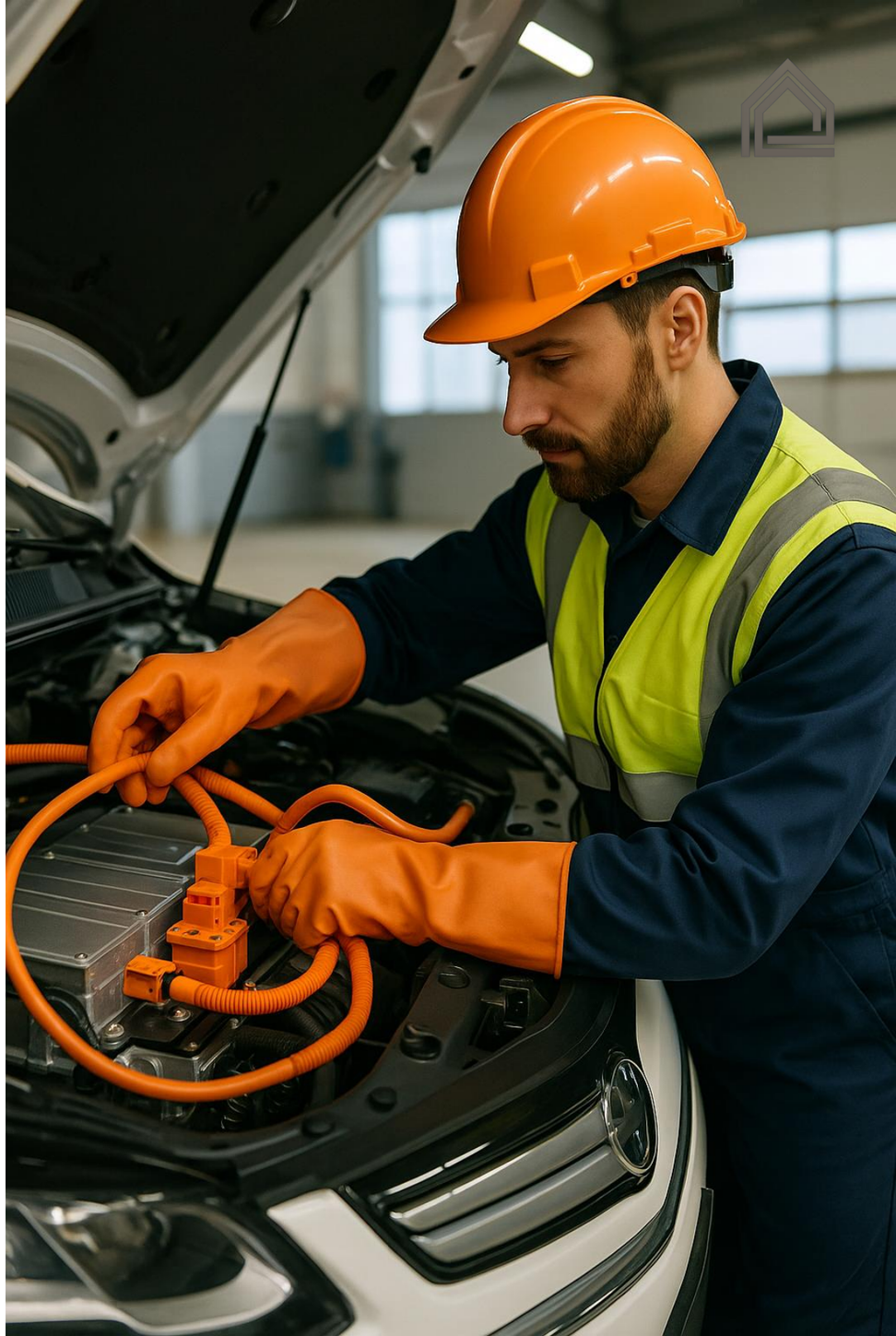
- Federal / State governments: Support of $500–$2,000 per technician
- Aimed at industrial accident prevention and job creation

Private Tuition Fees:

- General technicians / individuals: $1,000–$3,000 per person (per course)

Corporate Programs (Dealers / Leasing Companies / Repair Chains):

- Group contracts and customized training programs provided



Revenue Model 6 – Hiring EV & Battery Technicians Through Permanent Residency Programs

Selection of Skilled Technicians in Korea

Recruit experienced professionals specializing in battery dismantling, testing, maintenance, and training.

Hiring / Secondment Through U.S. Local Entity

Utilize employment visas or intra-company L-1 visas.

On-Site Technical Leadership & Instructors

Oversee on-site technical operations and serve as training instructors.

Permanent Residency Program Linkage

After 1–2 years of employment, support permanent residency applications (EB-2, EB-3, EB-1C, etc.).

Early Workforce Shortage Mitigation

Immediately secure skilled professionals with advanced technical expertise.

Business Capital Attraction

Enable additional funding through investment Immigration and workforce support programs.

Government Incentive Acquisition

Access a wide range of federal and state incentives, including job creation and training support.

Strategic Advantages of Blaine – Geographic Strengths

◆ Adjacent to the U.S.–Canada Border

- Located at the northernmost point of Washington State, directly connected to Vancouver, Canada
- A hub for EV collection, logistics, and distribution across the Seattle–Vancouver West Coast corridor
- Connected to U.S.–Asia maritime and air routes as well as Western Canada's inland regions

◆ Developed Transportation Infrastructure

I-5 Highway

Connects the western U.S. from north to south

International Rail

Access to an international rail network optimized for logistics

Port of Bellingham

Proximity to the Port of Bellingham for maritime transportation

Strategic Advantages of Blaine – Tax & Business Environment Superiority

Washington State Corporate Tax: ZERO

No state income or corporate tax, resulting in higher net operating profits

Eco-Friendly Incentives

- Incentives favorable to the EV and renewable energy industries
- Streamlined permitting for environmental/green industries
- Tax reductions for recycling and circular-economy facilities

Fast Administrative Processing

Expedited procedures for new business establishment, environmental reviews, and foreign employment approvals

Local Government Support

The City of Blaine prioritizes the attraction of eco-friendly and future-oriented industries

These business conditions will significantly **reduce initial investment costs** and **enhance overall profitability**.

Strategic Advantages of Blaine – Factory Site Benefits

Duty-Free Benefits Through Foreign Trade Zones (FTZ)

• U.S. import duties on raw materials and components can be deferred, reduced, or exempted
• Duties are postponed until products enter the domestic market, lowering operating costs and improving cash flow

Tariff Reductions & Exemptions Under the KORUS FTA

•Foreign companies operating U.S.-based facilities can leverage the Korea–U.S. Free Trade Agreement
•Enables minimization or exemption of export tariffs through operations in Blaine, improving cost efficiency

Enhanced Market Competitiveness – Use of the Buy American Act (BAA)

•U.S.-based production avoids tariffs and trade restrictions applied to imported finished goods
•Establishing operations within a free trade zone improves price competitiveness and enables rapid response to market changes

Preferential Access Under USMCA

Due to proximity to Canada, Blaine benefits from preferential trade treatment under the U.S.–Mexico–Canada Agreement (USMCA)
Products manufactured in Blaine can receive reduced tariffs when exported to Canada and Mexico


Actual Photos of the Factory Site


On-Site Visit Photos of the Factory Location

Strategic Advantages of Blaine – Administrative Support

1 Pre-Consultation Completed with the Mayor and City Government

Alabaster Holdings has already entered into an overall partnership with the City of Blaine and relevant stakeholders for EV dismantling and recycling operations. Through direct discussions with the mayor and city officials, mutual alignment has been established, and **tailored support** has been committed for **site selection, permitting, facility investment, and tax incentives**.

2 Core Partner in the EV Cluster Strategy

Linked with multiple EV-related businesses, including charger assembly, battery dismantling/recycling, and training programs. Approval timelines for new business models are significantly faster compared to other cities.

3 One-Stop Support System

Construction/lease of facilities, equipment approvals, environmental permits, employment support, and import/export declarations are processed quickly through a one-stop solution within the city administration.

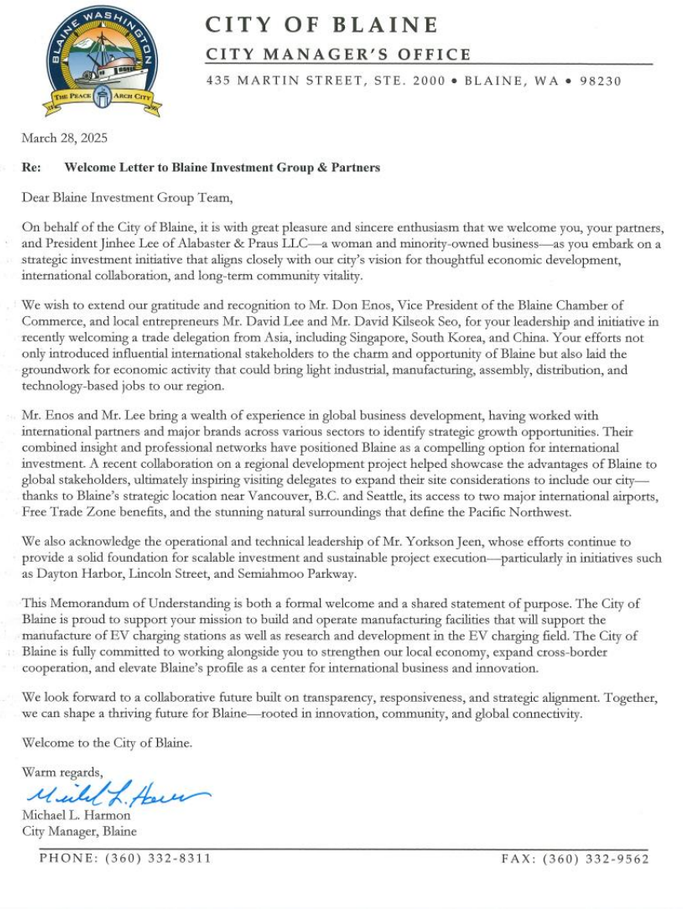
Strategic Advantages of Blaine – Exclusive Partnership

Exclusive Agreement with the City of Blaine

Full Integration Across the EV Ecosystem

Approved Sites and Established Networks

Rapid Market Entry with Minimal Risk



CITY OF BLAINE
CITY MANAGER'S OFFICE
435 MARTIN STREET, STE. 2000 • BLAINE, WA • 98230

March 28, 2025

Re: Welcome Letter to Blaine Investment Group & Partners

Dear Blaine Investment Group Team,

On behalf of the City of Blaine, it is with great pleasure and sincere enthusiasm that we welcome you, your partners, and President Jinhee Lee of Alabaster & Praus LLC—a woman and minority-owned business—as you embark on a strategic investment initiative that aligns closely with our city's vision for thoughtful economic development, international collaboration, and long-term community vitality.

We wish to extend our gratitude and recognition to Mr. Don Enos, Vice President of the Blaine Chamber of Commerce, and local entrepreneurs Mr. David Lee and Mr. David Kilseok Seo, for your leadership and initiative in recently welcoming a trade delegation from Asia, including Singapore, South Korea, and China. Your efforts not only introduced influential international stakeholders to the charm and opportunity of Blaine but also laid the groundwork for economic activity that could bring light industrial, manufacturing, assembly, distribution, and technology-based jobs to our region.

Mr. Enos and Mr. Lee bring a wealth of experience in global business development, having worked with international partners and major brands across various sectors to identify strategic growth opportunities. Their combined insight and professional networks have positioned Blaine as a compelling option for international investment. A recent collaboration on a regional development project helped showcase the advantages of Blaine to global stakeholders, ultimately inspiring visiting delegates to expand their site considerations to include our city—thanks to Blaine's strategic location near Vancouver, B.C. and Seattle, its access to two major international airports, Free Trade Zone benefits, and the stunning natural surroundings that define the Pacific Northwest.

We also acknowledge the operational and technical leadership of Mr. Yorkson Jeen, whose efforts continue to provide a solid foundation for scalable investment and sustainable project execution—particularly in initiatives such as Dayton Harbor, Lincoln Street, and Semiahmoo Parkway.

This Memorandum of Understanding is both a formal welcome and a shared statement of purpose. The City of Blaine is proud to support your mission to build and operate manufacturing facilities that will support the manufacture of EV charging stations as well as research and development in the EV charging field. The City of Blaine is fully committed to working alongside you to strengthen our local economy, expand cross-border cooperation, and elevate Blaine's profile as a center for international business and innovation.

We look forward to a collaborative future built on transparency, responsiveness, and strategic alignment. Together, we can shape a thriving future for Blaine—rooted in innovation, community, and global connectivity.

Welcome to the City of Blaine.

Warm regards,

Michael L. Harmon
City Manager, Blaine

PHONE: (360) 332-8311 FAX: (360) 332-9562

Alabaster Holdings has entered into a comprehensive EV partnership agreement with the City of Blaine, serving as a core enterprise for EV charger assembly and distribution, vehicle scrappage/dismantling/recycling, and education/testing services.

With pre-approved sites, established networks, and strong community partnerships, the project enables fast market entry while minimizing administrative risks associated with large-scale workforce and facility investments.

Initial Investment Cost Analysis

Calculated based on a facility of approximately **1,000 pyeong (3,300 m²)** capable of processing **2,000 vehicles per year**, based on U.S. and Canada standards.

$5M

Total Investment Cost

Includes **land, buildings, equipment, IT systems, and initial working capital**

3,300m²

Facility Size

Includes **office space, dismantling area, storage yards, warehouses, and training/testing rooms**

2,000

Annual Processing Capacity

Designed to accommodate **large truck access and waiting areas**

Investment Items	**Estimated Amount**(USD)
Land purchase/lease	$1,000,000
Building / facility investment	$2,500,000
Equipment (dismantling, lifting, etc.)	$800,000
IT / platform development	$200,000
Permits / Administrative Costs	$150,000
Staffing / Initial Operating Capital	$350,000

Revenue Structure & Operating Cost Analysis

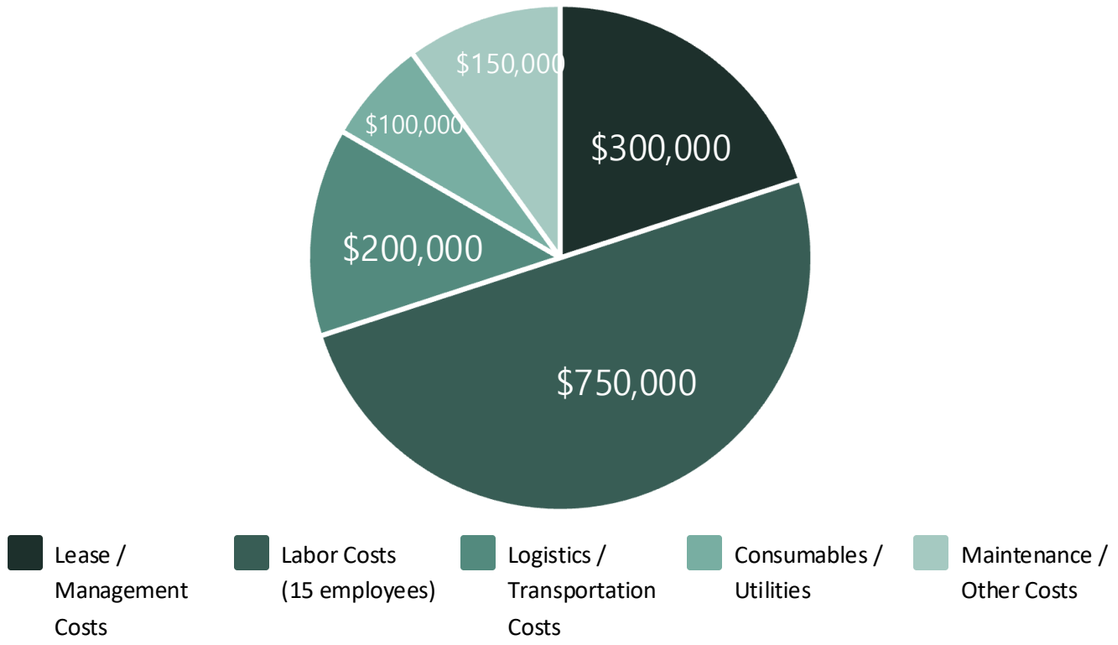
Revenue Structure per EV

The average revenue generated per EV processed is approximately **$3,000**, which includes multiple revenue streams such as **dismantling service fees, parts sales, and battery recycling**.
With an annual processing volume of **2,000 vehicles**, total annual revenue is estimated at **$6,000,000**.

Revenue Items	Average per EV (USD)
Dismantling (Scrappage) Fees	$200-$500
High-Value Parts Sales	$1,000-$2,000
Battery Recycling / ESS	$500-$1,500
Metal Scrap	$300-$700
Others (Training / Testing, etc.)	$100-$400

Annual Operating Costs

The estimated annual operating cost for the EV dismantling facility is approximately **$1,500,000**, including **facility lease expenses, labor costs for 15 employees, logistics, and related operating expenses**.



Break-Even Point & Investment Recovery Analysis

Based on the ROI analysis of the EV dismantling facility business, the **initial investment of USD 5 million** is expected to be recovered within approximately **1.1 years (13–15 months)** under a **conservative scenario** assuming **2,000 vehicles processed annually**.

Annual Revenue

$3,000 × 2,000대 = $6,000,000

—

Annual Operating Costs

$1,500,000

=

Annual Net Profit

$4,500,000

-100%

Initial Investment

$5,000,000

90%

Recovery Rate After 1 Year

$4,500,000 (90%)

180%

Cumulative Profit After 2 Years

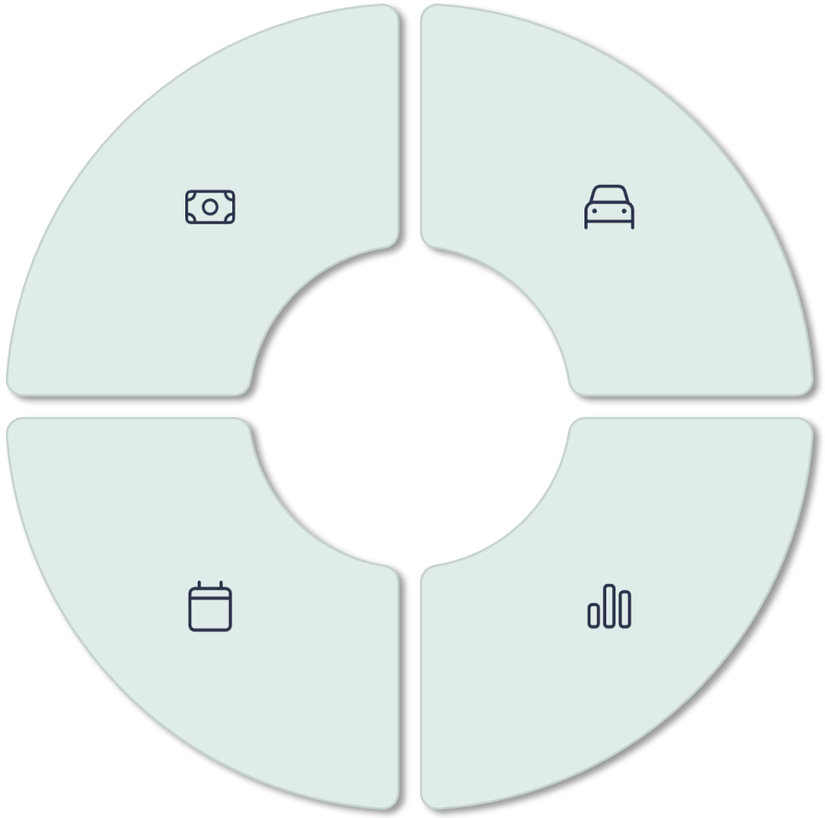
$9,000,000 (180%)

※ Actual results may vary by **±20%** depending on **operational efficiency**, **parts and battery price fluctuations**, and the **annual number of vehicles dismantled**

Business Summary & Conclusion

Initial Investment
Approximately $5,000,000

Revenue per EV
Average $3,000



Investment Payback Period
1.1 years (13–15 months)

Annual Net Profit
$4,500,000 or more

The EV dismantling facility business is a highly strategic venture with rapid investment recovery, high profitability, and strong future value, connecting the North American and Asian markets.

This business offers a short payback period relative to initial investment and a stable revenue structure.
As the electric vehicle market continues to grow, demand for EV dismantling is also expected to increase steadily.

Alabaster Holdings

We build dreams

“Assemble in the USA, Expand to North America – with Alabaster”

“Your U.S. expansion, executed by Alabaster.”

Border

City of Blaine Office