



Press Release

Baerlocher USA to Expand Metal Soap Production Capacity by 50% to Meet Fast-Growing Industry Demand, Drive Innovation

Cincinnati, Ohio – January 10, 2017 – Baerlocher USA, part of Baerlocher Group, a leading global supplier of plastics additives, today announced it will add a third reactor for the production of calcium, zinc, sodium and other metal soaps at its facility, located here. This major capital investment will increase capacity by 50 percent and further position the industry leader to meet steadily accelerating demand from the North American polyolefin and polyvinyl chloride (PVC) industries. It will also support the development of advanced Baerlocher innovations such as the company's *Baeropol*[®] RST, polyolefin resin stabilization technology and solid calcium-based PVC stabilizers. These applications are expected to grow as the industry looks to reduce the use of volatile organic compounds (VOCs) and heavy metal stabilizers.

The new reactor is expected to be fully operational in June 2017. It will occupy space within the company's Highland Ridge Drive facility, previously earmarked for this and other future production expansions. The additional reactor will create at least six new jobs at Baerlocher USA, which has steadily increased its workforce over the past several years.

"Baerlocher is bullish on the North American plastics industry, so we are continuing to invest in new capacity and innovative additive solutions for our customers," said Edward Hall, president and chief executive officer, Baerlocher USA. "The new reactor is the latest enhancement to our global business growth strategy, and is specifically targeted at market opportunities that we have carefully analyzed and are actively pursuing."

Metal Soaps in Demand

Several trends are driving industry demand for metal soaps, which are used in plastics applications such as acid scavengers, stabilizers, internal and external lubricants, water repellents and mold release agents. The expanding U.S. oil and gas industry, including hydraulic fracturing (fracking) operations, is lowering the cost of raw materials used in polyolefins such as polyethylene (PE), thereby encouraging plastics manufacturers to heavily invest in new polymer production capacity. In the PVC sector, additive manufacturers are consolidating and scaling back, opening up new opportunities for companies like Baerlocher.

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Another trend in metal soaps – traditionally a commodity industry – is the drive for differentiated products that address new requirements, such as calcium and zinc metal soaps to replace tin-based stabilizers. Tin usage has been targeted by the European Union’s Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) regulation for environmental and safety reasons, and tin supplies are subject to high volatility. Many PVC processors in North America are following this trend for environmental reasons, even though they are not required to do so by regulation.

About Baerlocher:

The Baerlocher Group is a leading manufacturer of additives for the plastics industry. Its portfolio includes a broad range of stabilizers and other additives suitable for a variety of polymer and non-polymer applications.

Baerlocher has a strong focus on customer and employee needs and is highly committed to innovation and sustainability. Its pioneering and proactive role is underlined by the support provided to the PVC industry during the transition from lead- to calcium-based stabilizers and by its innovative lubricant systems for wood plastic composites.

Baerlocher embraces the principles of responsible care. It operates an ISO 9001 certified quality management system and an environmental management system compliant with ISO 14001. Baerlocher plays a positive role in both the business community and society as a whole. This includes work within industry associations, and the provision of training opportunities in a variety of disciplines.

The Baerlocher Group has production plants around the globe and operates a sales network serving all major countries.

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For more information, please visit www.baerlocher.com.

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Photo Caption



PHOTOS

Left: Baerlocher U.S.A. Production Facility in Cincinnati, Ohio

Right: Edward Hall, President and Chief Executive Officer, Baerlocher USA

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