



# NewsFlash

European Voice of the Adhesives and Sealants Manufacturers, since 1972

Issue N°7 - May 2009

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## Editorial from the Secretary General

Dear FEICA members,



We are all asking the same question: how will the market develop? At this moment who dares to predict the short and medium term future with any certainty? According to some of our members the first half of 2009 will remain difficult particularly in the transport and the furniture/woodwork sectors but there is an expectation that the second half will show some upward movement. 2010 is expected to confirm the recovery but not back to 2007 level. The year 2009 will certainly require a great deal of good steering to keep the Industry sailing in the stormy weather.

More than ever, we need to stick together.

From Brussels, we see no reduction in the drive for more and more regulation activities in the coming year. The Political agenda seems quite insensitive to economical downturn.

FEICA's mission to keep the legislative burden for our industry at acceptable level remains unchanged but we need your active contribution and input to the various Working Groups to help us effectively defend your interests. With your support we will continue to advocate and propose workable solutions for issues such as REACH, CLT, VOC, MDI, Food contact and many others.

Another critical mission of FEICA is to keep you connected.

We are currently working hard to revamp our Website, which should be open for business by mid year with a fresh layout, additional functionality, more user friendly navigation system and much more content.

You will notice that we have changed the format of our newsletter, including comments and messages from our Executive Board Directors and providing you with the latest market statistics.

This Newsletter is yours; please let us know what you think and how we may continue to improve it for you in the future.

## UPCOMING EVENTS

FEICA Conference 2009



European  
Adhesives  
& Sealants  
Conference  
2009

September 17-18, Budapest, Hungary



[Raise the visibility of your company at the FEICA Conference](#)

[Business Development and Sponsoring Brochure](#)

European Coatings Conference, Germany  
11&12 June 2009  
[e-mail](#)  
[website](#)

Global Food Contact Legislation  
23-25 June 2009, Mövenpick Hotel Frankfurt City, Germany  
[More info](#)

## NEW DOCUMENT ON THE WEBSITE

[Environment Health and Safety mission statement Business](#)

## FEICA MEETINGS

TF OCF (New WG)  
22 April 2009, FEICA(Cepe),

Enjoy the reading.

Bernard Ghyoot,  
Secretary General.

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## News from FEICA

### Changes in the Executive Board

- Following the departure of Jonathan Hastings of Rohm & Haas and Ralf Schelbach of Henkel, we are pleased to announce the support of two new Executive Board members: Sussi Wetterlin of Casco Adhesives and Jean Fayolle of Henkel.

### Changes in the ETB

- Achim Huebener from Henkel was elected Vice Chairman of the ETB.

### New Company Members

- We are very pleased to welcome 4 new members: 3M Europe, Tremco-illbruck, Polypag and TTK strengthening our representation in the Sealant and Foams sectors.

### About National Associations

- The Austrian National Association (Construction adhesives & sealants, sector group of the Fachverband der Chemischen Industrie Oesterreichs – FCIO) has completed its re organization and is also continuing its FEICA membership.
- On the downside we are sad to report that the Norwegian National Association has terminated its FEICA membership.

### New Working Groups

- The ETB has decided to establish an ETB Task Force on Sustainability and a Working Group on Construction.
- In February the new One Component foam (OCF) Working Group had its first meeting and elected Luc Thys from Soudal as chairman. The WG aims to raise awareness enhance the quality image of the application and technology. To this end the group has also decided to form an OCF Task Force on new testing methods and standards.

### Inside FEICA



Finally we are very pleased to welcome to the secretariat a new colleague - Sophie De Ridder who joins us on April 20th. She will assist Jana Cohrs with regulatory affairs issues and will lead several communication related efforts including the new website.

### Brussels

NA President Forum  
29 April 2009, Federchimica,  
Milan

WG Communication  
5 May 2009, BSI, London

NA Secretary Forum  
6 May 2009, BSI, London

FACET  
13 May 2009, Federchimica,  
Milan

WG P&P  
14 May 2009, Federchimica,  
Milan

ETB  
9 June 2009, Aficam, Paris

REACH  
17 June 2009, Brussels

HAZPRO  
18 June 2009, Cefic, Brussels

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There is no doubt that we find ourselves in uncharted waters with the current global financial crisis and it is unlikely to leave any industry or company untouched. When one analyses the reports from the media everything is doom laden and, if not viewed objectively, can turn into to a self fulfilling prophecy.

Even though it is difficult to remain upbeat when order books are smaller and bad debts become more likely, it is important to try to focus on the future as this period of uncertainty will end at some point. There are still opportunities and maintaining or even increasing R&D activity will leave the bolder companies in a stronger position to capitalise on a resurgent market. Wherever one looks it is true our technical resource has been gradually eroded and it is to be hoped that members endorse this vital area of our competence and do not take the easy option to inflict further damage with reductions in headcount.

One thing is certain, like taxes, regulatory issues will not go away or be put on the back burner by governments and this is where members should all see the benefit of our National Associations and FEICA who will be providing help and guidance when perhaps all resource is focussed on steering businesses through these difficult times.

After nearly two years of the new FEICA it is comforting to see the membership continuing to grow with the latest addition of the One Component Foam group adding to the Association's strength and diversity. It is also important to realise this group recognises the benefits of being part of a pan European association such as FEICA.

Will Barclay,  
Vice-President  
Executive Board Director

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## Market Watch

FEICA is pleased to introduce a new dimension to the NewsFlash by featuring a section on adhesives and sealants market developments.

In difficult economic times it is hardly possible to provide reliable market projections. Therefore updates on market changes can be valuable indicators which the NewsFlash intends to publish in regular intervals. In this context FEICA welcomes CHEM Research's editorial contribution, in addition to publishing the FEICA market report entitled. "The European Adhesives & Sealants Market Report 2007-2010".

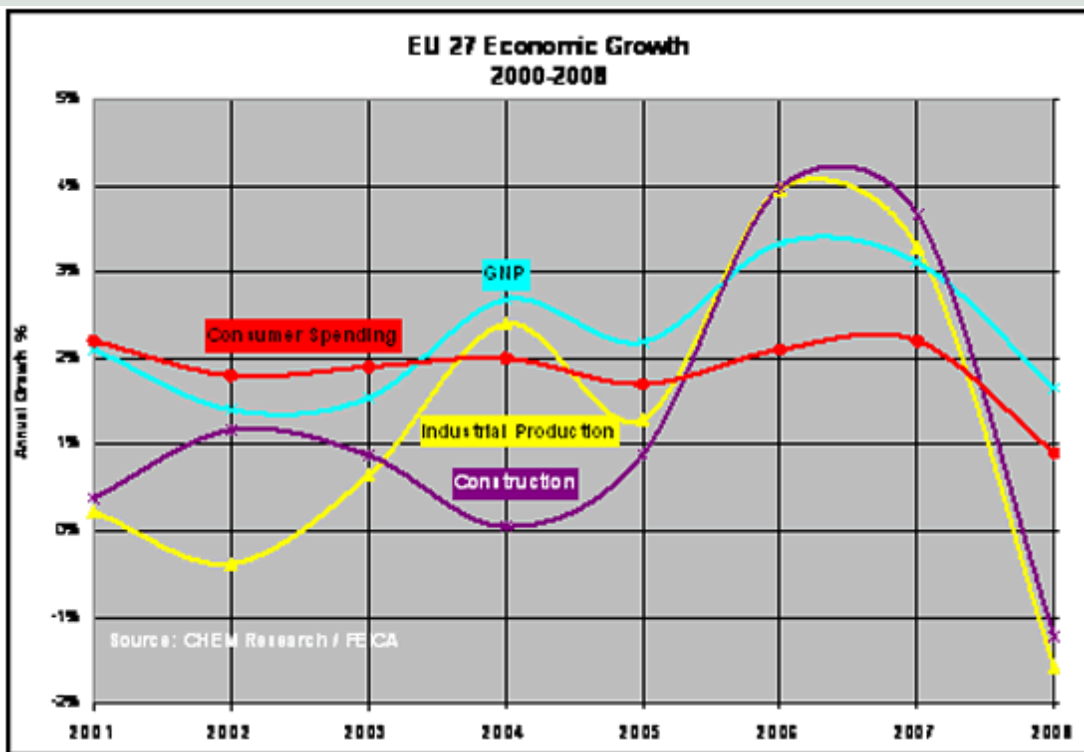
This first Market Watch issue of the NewsFlash provides an overview of the European economic growth 2000-2008. In this analysis focus is placed on the 27 EU Member States and the relevant sectors of the economy that consume adhesives and sealants.

The following series of charts illustrates the annual economic and sector development in terms of an annual growth index, taking 2000 as a base year, with GNP and selected economic sectors equal to 100%.

The statistical source used for this analysis is Eurostat.

### 1. EU 27 Economic Growth 2000 - 2008

During the period 2004-2007 the EU 27 Member States enjoyed higher than average annual GNP growth (>2%) than in earlier years. Growth peaked in 2006 with 3,3% and achieved a slightly lower rate (3,1%) in 2007. The recession commenced during the fourth quarter of 2008, which resulted in an average annual growth of 1,7% for the EU 27 region in 2008.



Throughout 2006 Industrial Production followed the GNP growth pattern, however at a lower rate. In 2006 and 2007 industrial production grew at a higher rate than GNP and plunged in the second half of 2008.

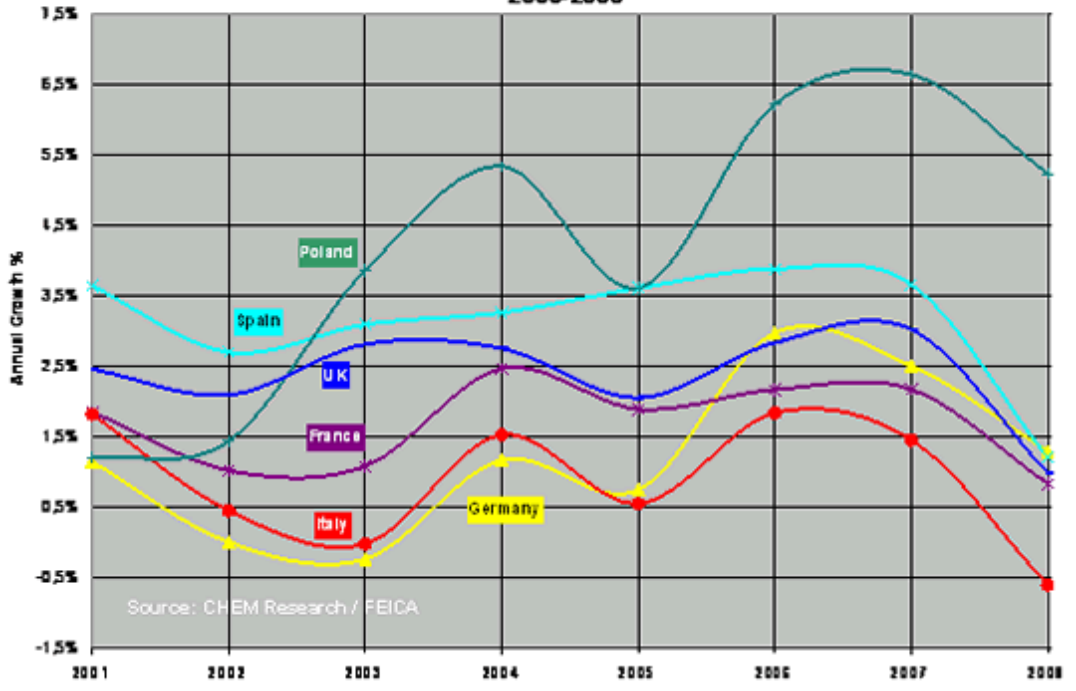
Construction, on the other hand, showed a lower growth rate and a diametrically different pattern of growth than GNP throughout 2005. In 2006 and 2007 Construction growth peaked and surpassed GNP growth and industrial production (both about 4% annual growth).

Consumer Spending, however, showed a steady level of moderate growth of around 2% during the 2000-2007 period and a drop of 1% in 2008.

## 2. GNP Growth in Selected European Countries 2000 - 2008

When examining the GNP growth in selected EU countries the dynamic growth of Poland, being a new EU Member State, is particularly striking. Since its accession in 2004 Poland has experienced a GNP average annual growth exceeding 5%.

**GNP Growth - Selected European Countries  
2000-2008**

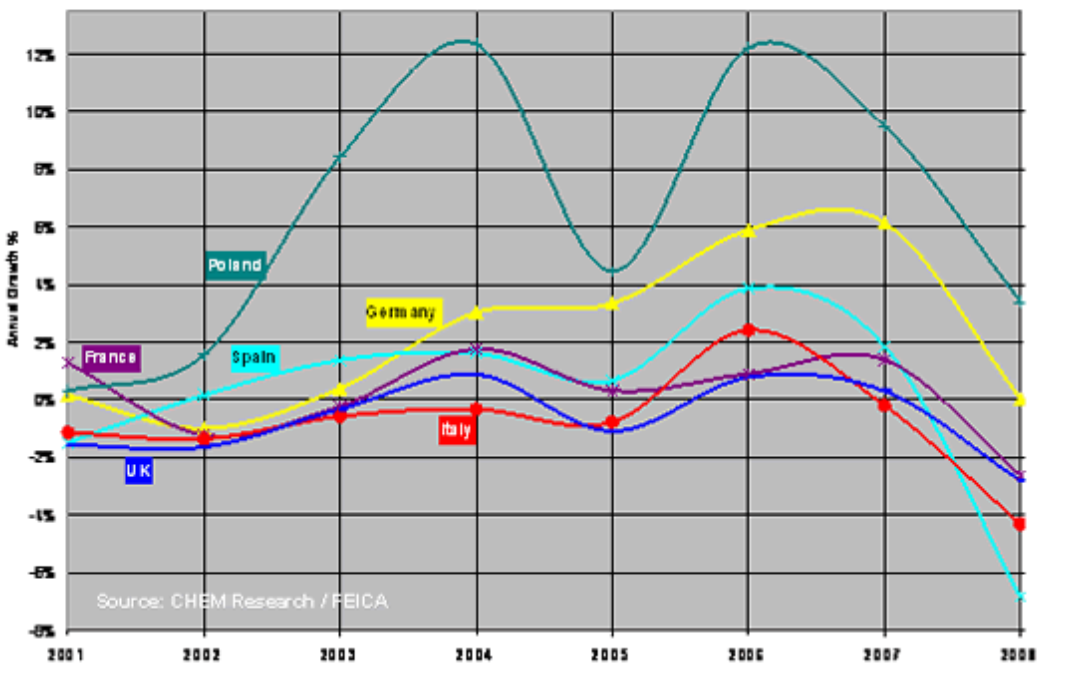


The West European countries, in comparison, experienced moderate GNP growth, with Germany exhibiting the slowest growth between 2000 and 2005, behind Italy and France. On the other hand, both the UK and Spain enjoyed higher average annual growth rates up to and including 2007.

### 3. Industrial Production Growth in Selected European Countries 2000-2008

Industrial production covers all manufacturing activities, excluding construction, which are developing at a fast pace in the new Central and East European Member States. Poland, in particular, has shown strong growth.

**Industrial Production Growth - Selected European Countries  
2000-2008**



The large West European countries, Italy, the UK, Germany and France, experienced declining industrial production levels between 2001 and 2003. Thereafter, industrial output increased in many countries.

Italy, however, suffered negative growth during the entire period except for a short recovery in 2006.

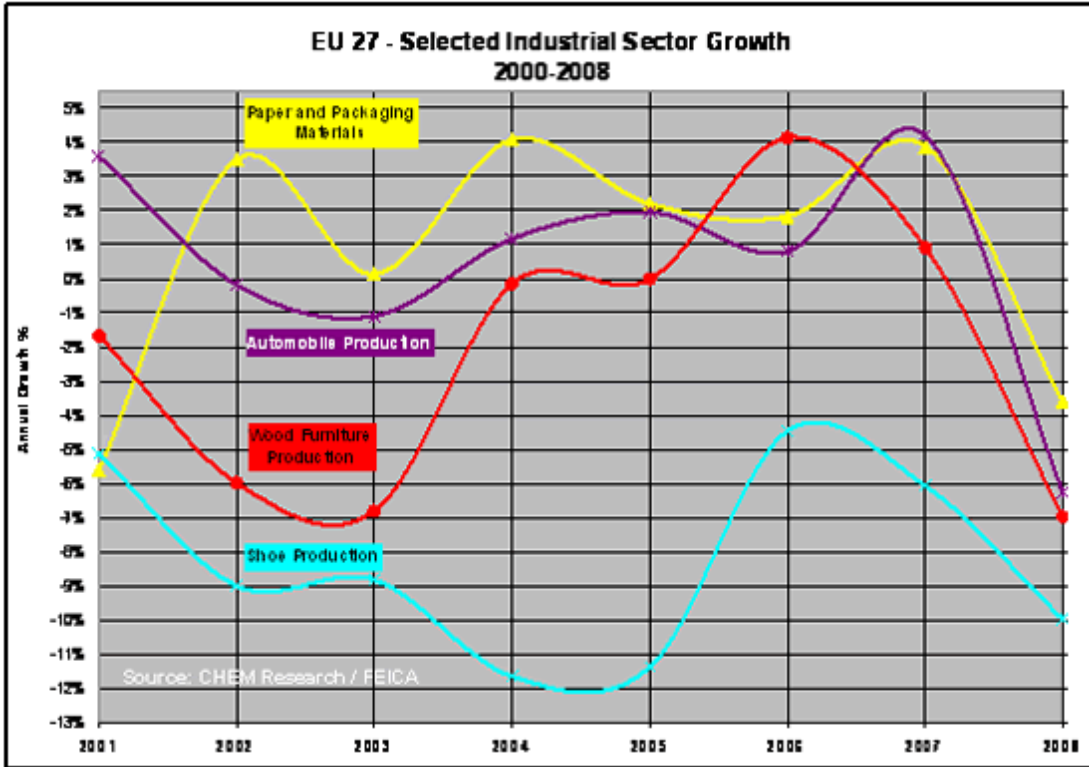
Germany's industrial production enjoyed uninterrupted growth between 2004 and the first half of 2008. Much of this growth was supported by high levels of exports.

Spain experienced a continuing upward trend up to and including 2007.

#### 4. EU 27 - Selected Industrial Sector Growth 2000 – 2008

The manufacture of paper and packaging products represents a large sector with continued expansion since 2004 sustained by stable consumer spending.

Automobile production is a key industrial activity in the European Union, which enjoyed growth from 2004.

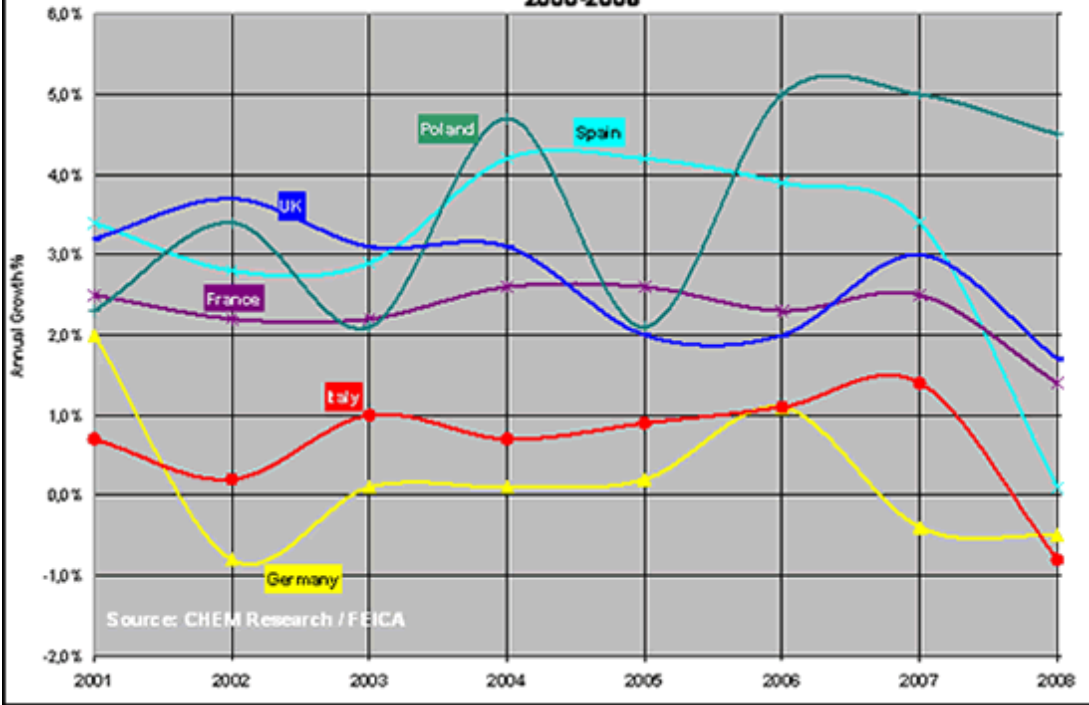


Some sectors such as the shoe and the furniture industries are suffering from geographic shifts to locations offering lower production costs. This trend continues in the shoe sector while it lessened in the furniture sector as a result of the restructuring of the European furniture industry.

#### 5. Consumer Spending Growth - Selected European Countries 2000-2008

In the large West European countries Consumer Spending has shown small annual variations of less than 1% during the period examined.

**Consumer Spending Growth - Selected European Countries  
2000-2008**



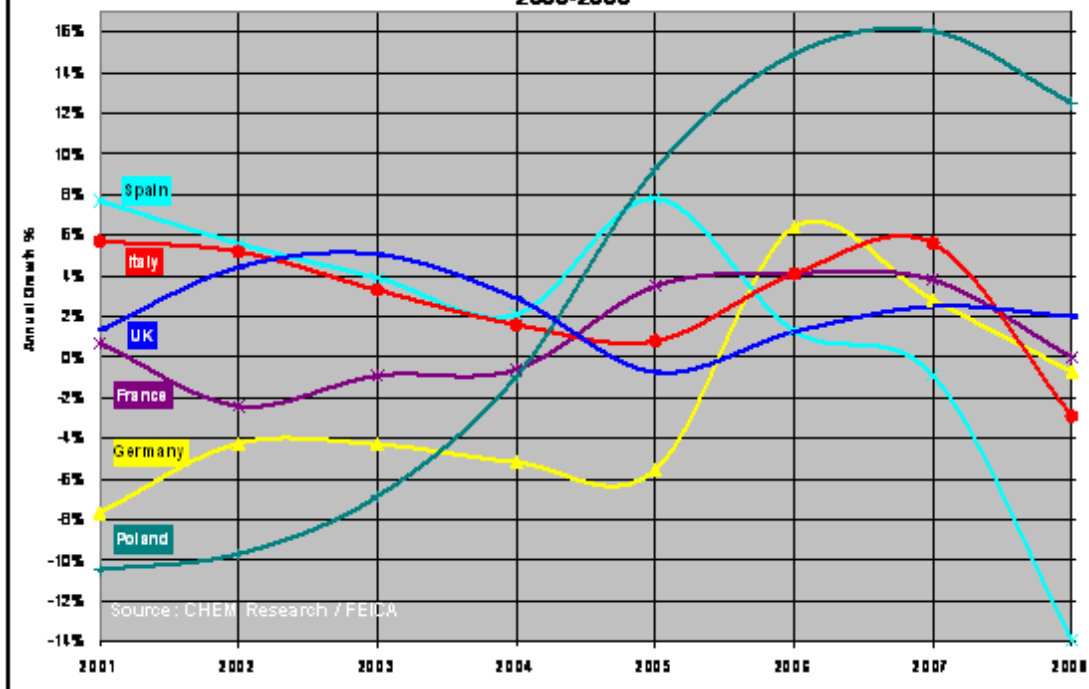
Consumer Spending increase has been the lowest in Germany and in Italy. In contrast, it rose significantly (4 and 5% average annual growth) in Spain and Poland between 2003 and 2007.

Consumer Spending remained stable in France until 2007 while a gradual slow down has occurred in the UK since 2002.

## 6. Construction Industry Growth - Selected European Countries 2000-2008

The accession to the European Union has stimulated construction activities in many new EU Member States since 2004 – this development is well demonstrated by the growth of the construction sector in Poland.

**Construction Industry Growth - Selected European Countries  
2000-2008**



The German construction industry finally recovered in 2006 after years of decline.

The construction boom in Spain ended abruptly in 2007 as the financial and real estate crises surfaced earlier in this country than in other parts of the European Community.

Construction in France was down until 2004. It enjoyed a short market recovery between 2005 and 2007.

In contrast, the building sector in the UK enjoyed good growth until 2004, which levelled off thereafter.

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## FEICA Regulatory activities

### VOC - Volatile Organic Component

The so called 'Deco Paint Directive' 2004/42/EC includes a clause for a revision; this revision started in 2008 and is currently underway. The Directive aims at reducing VOC emissions from open application to prohibit ground level ozone formation and several sectors are being evaluated for possible VOC reduction.

Having been contacted by the European Commission as one possible sector where VOCs may be reduced, FEICA has highlighted in its [position paper](#) from October 2008 that our sector has already reduced the solvent content in adhesives and that the remaining emissions from open applications in our sector are negligible.

Nevertheless, Oekopol (the Commission consultant for the issue) has suggested in its [interim report](#) that VOC reductions may be possible through restrictions of solvent based adhesives for flooring adhesives.

The FEICA VOC Task Force is currently discussing a second position paper to react to the Oekopol interim report.

### PIM – Plastic Implementation Measure

The Working Document from the European Commission on the PIM is supposed to compile the existing Plastics legislation but it also includes some 'clarification' from the side of the Commission. Unfortunately it seems that, in the case of adhesives, the clarifications create more confusion than already exists under the current legislation. For example, the new Article 1.3.g in the Working Document specifies that adhesives are not covered unless they are part of a plastics multilayer. This could be interpreted in a way that adhesives in plastics multilayers are (100%?) covered by the PIM and that their substances have to be listed on the positive list of the Plastics legislation.

Although the above interpretation was not the intention of the Commission, the already ambiguous situation under the current Plastics legislation seems to be aggravated in the Commission Working Document on the PIM. FEICA saw a possibility to ask for clarification in the legal text or through guidance and sent a [position paper](#) to the European Commission.

The next meeting of the European Commission and Member States on the PIM is scheduled for 20 May 2009 and there will probably be another meeting in July before the Commission will consult its legal services to clarify the wording for a proposal. It is unlikely that the PIM will be adopted before the end of the year.

### 1 ATP of the CLP regulation

As Annex I to Dangerous Substance Directive 67/548/EEC was deleted by Article 55(11) of the [CLP Regulation 1272/2008/EC](#) at its date of entry into force on 20 January 2009, the 30 and 31 ATPs are no longer in force. Instead they will be published in the 1 ATP of the CLP Regulation, the implementation date of which is the 1 December 2010.

As regards labelling products FEICA advises companies:

- To classify all new entries (this means first time entries of substances that were formerly not classified) immediately or as soon as feasible. This has been explicitly recommended also by the European Commission as well as by several national authorities.
- To inform customers on the changes through the 30 and 31 ATP (1 ATP to come) in the SDS without using the upcoming official classification. These changes only become official and can therefore only be labelled with the official classification when the 1 ATP is published in the Annex of the CLP.

To make it clearer, taking the example of MDI (of which there is already a classification in the Annex to the CLP) the adhesive manufacturers

- should not use the new C&L until the 1st ATP to CLP is in force (because the current 'harmonised' classification can be found in the annex to the CLP)
- may use the new C&L when the 1st ATP to CLP is in force (because then it will appear in the annex to the CLP and is thus in the new harmonised classification)
- must use the new C&L after 1.12.2010 (because that is the deadline of the 1 ATP to the CLP).

Scorecard for adhesives in paper recycling

[The European Recovered Paper Council](#) - ERPC in which all stakeholders of the paper chain are represented discussed the possible development of a scorecard for the recyclability of adhesives. The idea was to create a traffic light system for the recyclability of adhesives (red adhesives are not easily recyclable whereas green ones should be preferred). A similar system already exists for the printing inks and was established in cooperation with the printing ink association. Since the paper chain considers adhesives as a problem for recycling, they wish to establish a similar system for adhesives.

However, as FEICA is a member in the ERPC we could voice our apprehension to such a traffic light system which may also have consequences for our customers. After lengthy discussions and expert input from FEICA member companies, it seems that the paper chain better understands the complexity of the issue and the problems that arise when trying to force such a difficult subject into an easy traffic light system. At the next ERPC meeting there may be a discussion on whether a general guide for adhesives in paper recycling is useful.

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*Forward to a friend:*

This NewsFlash features information on FEICA activities, presents successful projects and identifies interesting events and publications linked to the adhesives and sealants industry. The content of the NewsFlash does not necessarily reflect the opinions of the whole adhesives and sealants industry.

The picture on the right hand side of the top banner was provided to FEICA by the Fraunhofer-Institut für Fertigungstechnik und Angewandte Materialforschung, Bremen, Germany"

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