



**ADD Resins &
Chemicals (Pty) Ltd**
Dynamic, Innovative, ADDing Value

Newsletter

Issue 3 June 2015



Ashland
DERAKANE™
epoxy vinyl ester resins
unmatched reliability & trust

6

Derakane Resins Celebrate 50-Years as Industry Leader

For 50 years, Ashland's Derakane resins have defined the standard of excellence in corrosion-resistant fiber reinforced plastic (FRP) applications for chemical processing, water treatment and air pollution control, mineral processing and more.

Invented in 1965 for use in extremely corrosive, hot, wet chlorine environments, Derakane was originally targeted toward the pulp bleaching and waste water markets. Today, through continued technology development, Derakane is used in hundreds of critical applications, where exceptional mechanical properties and corrosion resistance at high temperatures are required. Because of the high resistance to aggressive solvents and chemicals, Derakane can also maintain good retention of strength and toughness even at elevated temperatures, and the resins have excellent resistance to acidic oxidizing environments.

Derakane resins are used in the production of coatings and linings, tanks, pipes, pumps, chimney liners and ducts, filters, hoods, scrubbers, and other equipment used in the transport, processing and storage of highly corrosive chemicals or which require high resistance to chemical, thermal and mechanical degradation.

Derakane resins combat corrosion and are present in a variety of applications such as infrastructure development, pulp and paper, chlor-alkali, chemical processing, bleach, air pollution control and mineral processing.

Ashland's global team of experts based in China, Europe, and the Americas are well positioned to respond swiftly and provide critical expertise to project design engineers, fabricators and asset owners who may be located on separate continents. Based on hundreds of international case histories and knowledge built over five decades, Ashland continues to collaborate with end users in developing new applications where Derakane fulfills unmet needs for performance, reliability and trust. These applications include rare earth mineral processing and flue gas desulfurization.

"With the globalization of the corrosion materials business, Ashland's customers need to easily source Derakane resins in all corners of the world without compromising quality" said Andrew Miller, Sales Director, EMEA.

“Often a project will begin on one continent and be completed on another. Our world-class operations ensure the Derakane legacy performance qualities are retained, regardless of the location.”

ADD Resins & Derakane – A Strong History

Southern Africa, with a history of mining and mineral extraction, pulp and paper production and other chemical industries such as chlorine production, has traditionally been a fertile market for corrosion resistant GRP pipes, tanks, scrubbers, electro-winning cells and other vessels.

Vereguard (Pty) Ltd was primarily formed in 1991 to distribute Dow Chemical’s Derakane epoxy-vinyl ester resins to the Southern African market. Stephen Beal, the MD of Vereguard at the time and the current CEO of ADD Resins, states: “Vereguard in fact stood for vinylester resin, guard against corrosion!”

Vereguard did an excellent job with Derakane in the corrosion sector, ably assisted by Dow’s Derakane technical centre in Germany and also developed the marine, boating and other leisure markets, achieving great success in the canoeing world. Vereguard was awarded the Dow Chemical Derakane Distributor of the Year award in 2000.

At the same time, Vereguard developed a relationship with Norway’s Jotun Polymer and made good strides into the SA polyester resin industry. Jotun Polymer was taken over by Reichhold and this led to Vereguard merging with and buying NCS Resins out of the Dow/Sentrachem stable.

Ashland, the global polyester resin market leader, bought the Derakane brand from Dow Chemical in 2005.

ADD Resins & Chemicals was then formed in 2009, to again distribute Derakane to the South African market. Anca Ghetea, ADD Resins & Chemicals Technical Director, who has long been associated with the brand in South Africa, says: “Once again the company name is linked to Derakane. This time Ashland Derakane Distribution, as well as “**adding**” value!”

Derakane projects in Southern Africa include components manufactured by local fabricators for end users, such as Angloplats, Impala Platinum, SAPPI, MONDI, ZCCM, PMC, FOSKOR, NCP, HUSAB Uranium, Xstream Hot Water Cylinders etc.

ADD Resins & Chemicals prides itself on high quality products at competitive pricing, combined with excellent technical support and service levels. Therefore Derakane fits perfectly into its product portfolio.

ADD Resins & Chemicals, together with its personnel’s history with Derakane, their good relationship with Ashland and their loyal customers and fabricators, will ensure the ongoing success of the product in South Africa!



Ashland Acquires Derakane from Dow Chemical



- 10 years since Ashland acquired Derakane
- Marriage of #1 and #2 in the Corrosion Industry
- We gained people, brand, products and history



Acquisition solidified Ashland Performance Material (APM) as a global market leader

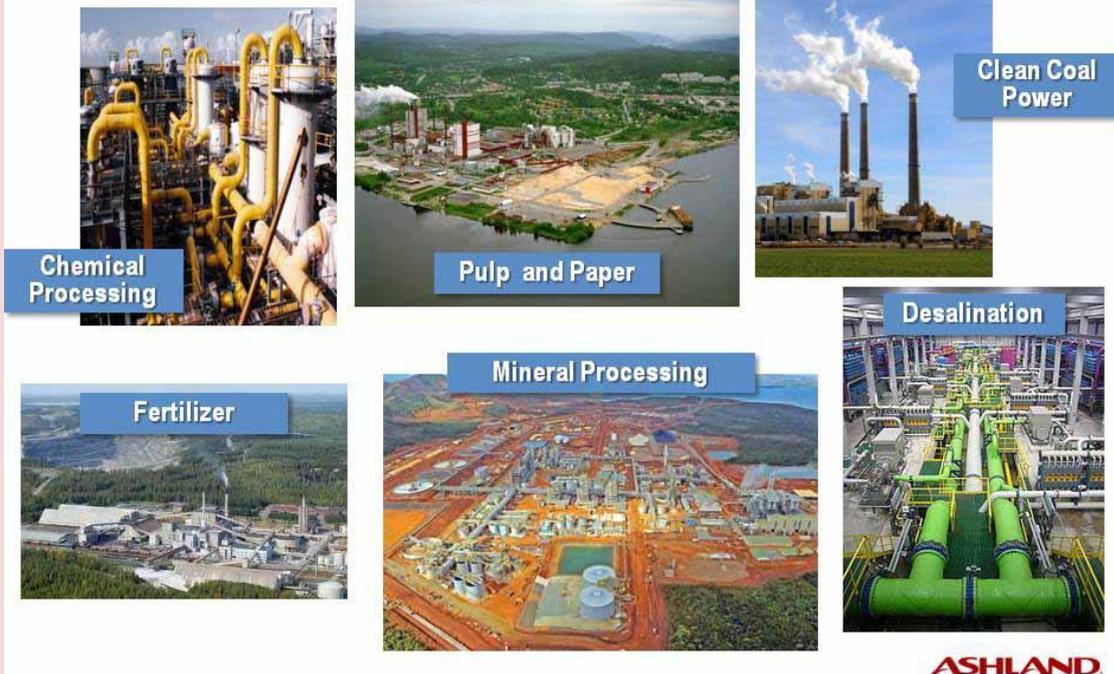
Ten years ago this month, Ashland purchased a product line of epoxy vinyl ester resins from Dow Chemical Company branded [Derakane™](#). It was, and remains, Ashland Performance Material's (APM's) largest acquisition. The acquisition, led by APM President Ted Harris, has been very successful both strategically and commercially. Derakane solidified APM's composites business as a global market leader, with product sales reaching all corners of the globe.

Today, Derakane is one of Ashland's strongest brands. Developed in 1965 by Dow Chemical, Derakane epoxy vinyl ester resins have withstood the world's most aggressive chemical environments. These premium resins deliver proven performance in [corrosion resistant fiber reinforced plastic \(FRP\) applications](#), including high strength, exceptional durability, superior heat resistance and low maintenance for even the most challenging environments. Industrial products fabricated with Derakane include:

- Mineral processing vessels that store strong corrosive acids.
- Chimney liners for flue gas desulfurization systems at coal fired power plants.
- Bleaching tanks used in pulp and paper manufacturing.
- Polymer concrete electrolytic cells.

Process vessels, piping and ducting in a variety of chemical industry applications.

Active In These Global Markets



ASHLAND 5

These are only a few examples of where Derakane resins can be seen around the globe. These applications help make Ashland the largest global supplier of specialty corrosion resins.

The Derakane product line is managed through a global team of experts that communicate daily with colleagues based in Europe, China, and the Americas. With Derakane being a global operation, we can say the sun never sets on our business; and sometimes it doesn't set on our projects. For example, a recent project was engineered in the Middle East with material selection in Europe, resin manufacture accomplished in Europe and the U.S., and subsequent fabrication (using our Derakane resins) performed in North America and Asia.

"Derakane is the largest, most recognizable brand name globally in specialty corrosion resins. When Ashland purchased Derakane ten years ago, it gave Ashland a fantastic opportunity to become the undisputed industry leader in this field. In Europe, we have built on that reputation and pushed both Ashland and Derakane further into the minds of our customers. In an increasingly competitive marketplace, we have significantly grown our sales and customer base. We even have a Derakane Centre of Excellence where we offer our customers unmatched technical and customer support, which illustrates how Ashland is adding value to an already well thought of brand.

Ashland's purchase of the Derakane resin business was in fact an example of the No. 2 player purchasing the No. 1 player in the market, as Ashland's product lines competed with Derakane (but mainly on a regional basis in North America). The acquisition was in direct alignment with APM's long-term strategy of material substitution, global expansion and targeted market growth...Derakane fit all three. The Derakane technology is a key enabler to imparting the performance properties that allow FRP to outperform traditional materials, in particular stainless steel and alloys in highly corrosive environments. The global reach of the Derakane product line accelerated our global expansion into the industrial market segment where the majority of products made with Derakane resins are used and still remains a key growth segment for APM. The business has continued to grow since the acquisition despite the number of competitors doubling during the past 10 years.

Customers appreciate the reinvigorated Derakane business under the Ashland banner as much as our employees. As part of the acquisition, APM brought in a small, highly skilled and knowledgeable team of Derakane experts from Dow Chemical. Employee retention since the Derakane acquisition is equally impressive. In fact, there are still several ex-Dow folks still working in Ashland's Derakane resin business who decided to leave Dow to join the Derakane team at Ashland.

"It's really exciting to rejoin this Derakane Global Club," said YK Zhang, Asia Pacific product manager. "I've

witnessed the successful inauguration of Derakane resin manufacturing in China. We are now experiencing a rapidly growing business in this emerging region where many exciting new opportunities are conceived. I am eager to contribute my skills and experience to the promising future of Derakane.”

Ashland now even manufactures Derakane resins in all four major APM regions to serve all corners of the globe: Europe, U.S., China, and Brazil.

APM is excited to celebrate a successful 10 years with the Derakane brand and looks forward to its continued success.

ASHLAND[®]

With good chemistry great things happen.[™]

Gauteng : +27 (0)11 879 8460 • KwaZulu Natal : +27 (0)31 701 0713 • Cape : +27 (0)21 380 0022

addresins.com

Suppliers of Polyester, Vinylester & Epoxy Resins, Powder Coatings, Polymers, Chemicals and a full range of Accessories, including Gelcoats, Pigments, Catalysts & Glassfibre