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May 11, 2000

For Immediate Release

North American consumption of surfactants in major industrial end uses will grow 2.4 percent/year, from 1.54 billion lbs in 1998 to 2.0 billion lbs in 2010, according to Colin A. Houston & Associates, Inc. (CAHA), a consulting firm based in Pound Ridge, NY. CAHA's new multiclient study covers surfactant use in Ag Chemicals, Asphalt, Cement, Paint, Paper, Plastics & Elastomers, Textiles and Wallboard.

Table 1		
NORTH AMERICAN SURFACTANT CONSUMPTION IN MAJOR INDUSTRIAL END USES, 1998 AND 2010 (million lbs)		
	1998	2010
United States	1390	1840
Canada	150	200
TOTAL	1540	2040

Anionic surfactants account for over half of total industrial surfactant use. The fastest-growing anionics include alcohol sulfates, alcohol ethoxysulfates and naphthalene sulfonate formaldehyde condensates (NSF). "Growth for NSF will be tempered by competition from polycarboxylates in the concrete superplasticizer market,"

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according to Marilyn Bradshaw, Vice President and project leader for the CAHA study.

Among nonionic surfactants used in major industrial applications, alkylphenol ethoxylates are the largest-volume and most widely used, followed by alcohol ethoxylates. However, the fastest-growing nonionic surfactants are acetylene glycols and glycol esters, which are finding increasing use in paints and coatings as paint manufacturers comply with new regulations regarding the level of volatile organic compounds (VOC) and hazardous air pollutants (HAP) in their products. "Paints with lower VOC levels typically contain higher levels of surfactants," says Ms. Bradshaw.

In the paper industry, producers are currently implementing the EPA-mandated switch to elemental chlorine free bleaching that must be completed by 2001. They are also working to modify existing processes and develop new methods to achieve more efficient and more environmentally friendly manufacturing. Ms. Bradshaw says that environmental concerns are having a mixed effect on surfactant use. "The adoption of closed-loop systems will benefit defoamers. On the other hand, our research indicates that alkylphenol ethoxylates will be voluntarily and completely phased out by 2010."

Major changes are occurring in the ag chem market, where genetically modified (GM) crops have had a significant impact on the pesticide market and related surfactant use. However, the consumer backlash against GM foods has undermined the rapid growth earlier expected for GM crops. The expiration of the patent on Monsanto's Round-up^R glyphosate herbicide this year will make generic glyphosate herbicides available, boosting demand for the surfactants used in these formulations. This development will also benefit adjuvant consumption.

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CAHA's study identifies 22 important U.S.-based suppliers of surfactants to industrial applications, down from 26 in 1995. Numerous deals have realigned the surfactant market in the last few years: BASF acquired the surfactants businesses of PPG and Olin; Ruetgers acquired Handy Chemicals; Stepan acquired selected surfactant businesses from Boehme Filatex, Dupont and ICI; Shell sold its specialty surfactants line and Reserve, LA plant to Tomah Products; Henkel sold its naphthalene sulfonates business to Geo Specialty Products and spun off its chemicals operations as Cognis; Dow acquired Hampshire Chemical; Huntsman acquired Baker's performance chemicals business; Witco acquired OSi Silicones, sold its Blue Island, IL plant to Albright & Wilson, and was later acquired by Crompton & Knowles; Albright & Wilson was acquired by Rhodia. Surfactant industry consolidation continues, with pending deals including Dow's acquisition of Union Carbide and the intended divestment of CONDEA by RWE.

CAHA's new multiclient study quantifies the consumption of over 40 different types of surfactants in 50 subsegments within eight end uses, using 1998 as the base year and forecasting surfactant consumption for 2000, 2005 and 2010. It also provides end use production data and discusses market trends, analyzes end use and surfactant technology, and reports on surfactant customer preferences and practices.

Details of the 430-page report, *Major Industrial Applications of Surfactants - North American Forecast to 2010*, are available from Colin A. Houston & Associates, Inc., 20 Milltown Road, Suite 206, Brewster, NY 10509; Phone: 845-279-7891; Fax: 845-279-7751

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