

**Specialty Silicas:**

**2008 - 2010**

**Global Strategic Analysis**

**Volume I: North America**

**Volume II: Europe**

**Volume III: Emerging Regional Markets**

**– China**

**– India**



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# MINESET PARTNERS, LLC

is pleased to announce a new regional series of reports on the worldwide markets for specialty silicas.

Separate volumes will be organized regionally for:

- North America
- Europe
- Other Emerging Regional Markets, including China and India

Each volume in this series will consist of a Regional Business Report, providing a comprehensive market and supply assessment for specific types of specialty silica materials. These reports will be delivered separately, according to the schedule set forth in this brochure.

Each volume will cover the following primary specialty silica types:

- Precipitated silicas and silicates
- Silica gels/aerogels and micronized silicas
- Nano-silicas
  - Fumed Silicas
  - Colloidal Silicas/Silica sols

In addition, following the publication of Volume I and III, a Global Advisory Report will be issued to summarize specialty silica market and supply conditions globally.

# Table of Contents

## Regional Business Report

### Introduction

### Regional Business Analysis

For each regional business report, the following scope of products and markets will be covered:

### Product Scope

- Precipitated silicas and silicates
- Silica gel/aerogels and micro-nized silicas
- Nano-silicas
  - Fumed silica
  - Colloidal silicas/silica sols

For each product, the Regional Business analysis will provide detailed information on:

- Manufacturing processes
- Key applications and functions
- Key grades and product lines by supplier
- Regional demand by application and end-use market
- Pricing
- Key customers
- Major suppliers
  - Market share
  - Capacity and production
  - Foreign trade
  - Expansion plans
- Regional supply/demand analysis
- Market trends and outlook
- Five-year demand forecast by application and end use

## Market Scope

Key market segments to be covered include:

- Tire and non-tire rubber
- Food and healthcare
- Coatings and inks
- Electronics/semiconductor, including CMP
- Plastics, including battery separators
- Agriculture and animal health
- Specialty Papers
- Ceramics

For each end-use market covered, the regional business analysis will provide detailed information on:

- Major specialty silica markets by region
- Specialty silica performance requirements
- Current consumption of silicas by product and application
- Technology and market trends
- Five-year forecast demand by product and application

### Regional Supplier Profiles

The top 15 to 20 specialty silica producers identified in each region are profiled in detail in each Regional Business Analysis, including information on:

- Manufacturing locations and capabilities
- Technology employed
- Product mix
- Raw material sourcing
- Estimated annual sales and market share by end use
- Marketing and distribution
- Competitive strategy
- Future plans

## Global Advisory Reports (For full subscribers only)

- A. Global demand summary by region and market segment
- B. Global supply summary
  1. Investment activity
  2. Global production capacity update and two-year outlook
  3. Merger, investment, divestiture and joint venture activity
  4. Global five-year operating rate analysis
- C. New product developments
- D. New market and technology developments



## Background

The global specialty silicas business, including precipitated silicas and silicates, silica gels, colloidal silica, and fumed silica, generates revenues of close to \$4.0 billion a year. Global demand for these materials is still growing at an annual rate of about 4%, fueled by a projected annual growth of over 5.5% in the Asia-Pacific region, and nearly 8% per year in China alone.

Despite the robust growth projections in China, other established regions have seen a slight deceleration in growth over the past five years, as a result of a slowing global economy and the mature nature of many of the larger end-use markets for specialty silicas. For the most part, however, the development of several niche end-use markets for specialty silicas in the electronics, passenger tire rubber, and other industries has helped to sustain overall growth levels above regional GDP rates.

Over the last decade, many of the major players in the specialty silicas business have expanded their manufacturing capabilities, building plants in the Asia-Pacific region, specifically China. At the same time a number of domestic producers in China have enhanced their capabilities to serve international markets by joint venturing with

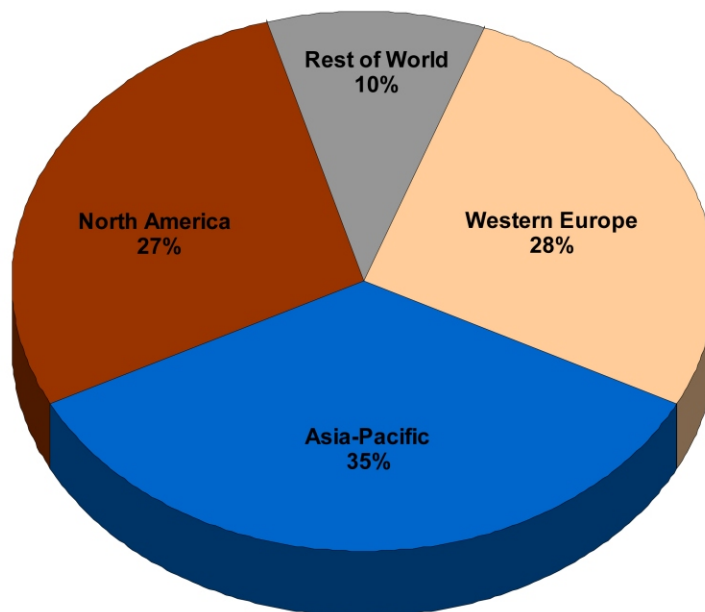
other multinational producers, or developing the technology to produce high-quality silica materials internally.

The key drivers for this activity have been the need to serve end-use markets that have migrated to these regions in pursuit of lower manufacturing costs, as well as the internal demand that has emerged from the development of these market economies. The shoe industry is a good example of this migration. When it moved to the Asia-Pacific Rim, so did a significant share of the supply for precipitated silica, which is the favored reinforcement in footwear.

As shown in Figure 1, the Asia-Pacific Rim is now the leading region for specialty silica consumption, with demand approaching USD 1.4 billion in 2006.

Now more than ever, the development of a business strategy in the Specialty Silicas marketplace requires not only a detailed assessment of the long-term market opportunities for specialty silica products, but also a complete assessment of the competitive position of each producer. This series of reports aims to provide the basis for making such judgments.

Figure 1  
**Estimated Regional Market Shares for Specialty Silicas**  
% of Total Dollar Value





## Report Contents

The markets for specialty silicas will be thoroughly analyzed in terms of demand, pricing, supplier share, and growth outlook by product type (for each of the major silica types) and by end use. This new series will provide a fresh update to our previously published global studies of these markets and will break new ground with the following new features:

- Increased focus on high-growth specialty uses, such as microelectronics, toothpaste, aerogels, and passenger tires.
- Extensive coverage of the emerging markets and supply of specialty silicas in China,
- In addition, new for the 2007-2009 series, the first in-depth evaluation of the markets for specialty silicas in India
- Extensive database compilation of the findings, which will provide considerable latitude for “what-if” interpretations of market growth assumptions.
- Projected demand to 2012, 2013, and 2014 for specialty silicas by region, type, and application

Included with each subscription for this series is one day of consultation with members of the project team for each volume of the report. This gives subscribers a chance to probe specific findings more deeply and to review non-confidential customer call reports compiled during the course of our research each year.

In addition, following the publication of Volumes I and III in the service, a Global Advisory Report will be issued to summarize specialty silica supply and market conditions globally. This supplemental report will enable

individual subscribers to keep abreast of changing market dynamics in all major regions and to bridge the gap between the individual regional volumes in this three-year service.

A Table of Contents is presented in this prospectus for the Regional Business Reports, and Global Advisory Reports.

## Scope

Each volume of *Specialty Silicas: Global Strategic Analysis, 2008-2010* will cover the following types of specialty silicas:

- Precipitated silicas and silicates
- Silica gels/aerogels and micronized silicas
- Nano silicas
  - Fumed silica
  - Colloidal silica

The study is tentatively scheduled to include specialty silica market data from the countries listed below:

- North America
  - Canada
  - United States
- Europe – EC (European Community) primarily
- China
- India

## Timing

The projected timetable for delivery of *Specialty Silicas: Global Strategic Analysis, 2008-2010* is shown in Table 1.

Table 1  
**Projected Timetable for Report Delivery**

Regional Volume	Regional Business Reports	Global Advisory Reports
Volume I: North America	4Q 2008	1Q 2009
Volume II: Europe	2Q 2009	–
Volume III: China and India	1Q 2010	2Q 2010



The cornerstone of this service will be separate Regional Business Reports. Each of these reports can be tailored to suit a subscriber's preferences by (1) silica type and (2) region.

### Subscriber Benefits

This service is designed to assist specialty silica producers, as well as suppliers of such basic raw materials as sodium silicates and silicon metal. The business intelligence contained in this report series will be beneficial to any company involved in the specialty silica value chain, including end users with large or captive silica requirements.

This service can assist your company in identifying the following:

- For specialty silica manufacturers
  - Opportunities to develop new products for emerging markets
  - Shifts in product mix (types and grades)
  - Global positioning
  - Acquisitions, mergers, and joint ventures
  - Opportunities to increase market share through strategic alliances
  - Long-term supply/demand balance and its affects on pricing
- For raw material producers
  - Opportunities to increase market share through strategic alliances
  - Shifts in global supply
  - Short- and long-term trends in the key end use markets for specialty silicas which could impact upstream demand for raw materials,

### Methodology

The overall survey and analysis will be completed by a team of experienced professionals from the MineSet Partners staff, along with our global network of associates, many of which have worked on previous editions of this service. While members of the team will draw heavily on their backgrounds and prior experience in the specialty silicas business, major emphasis will be placed on primary data gathered through personal interviews.

Interviews will be completed each year to assess current market conditions and competitive supply positions. These interviews will be primarily conducted with global and regional

producers of specialty silica materials, large baseload customers in each region, and other pertinent organizations as necessary.

### Project Team Experience and Capabilities

*Specialty Silicas: Global Strategic Analysis, 2008-2010* marks the fourth update of the former Kline Group series of reports on the specialty silicas business going back to 1990, the most recent editions of which were completed between 2002 and 2005.

These studies are now being administered by MineSet Partners, LLC under the direction of Todd Harris, a former director in Kline's Minerals and Chemicals Practice, as part of an agreement that was reached between Kline and MineSet Partners early in 2003. MineSet Partners, LLC, a New Jersey-based consultancy specializing in the minerals and inorganic chemicals industries, was formed in 2002 by Mr. Harris.

The project team for this series of reports will utilize a systematic approach to gathering and analyzing information, based on detailed primary research, which guarantees high-confidence results. Our proven approach and global capabilities will enable us to put on-the-ground analysts in each of the regions that will be assessed throughout the course of this new service.

### Our Team Approach

MineSet Partners resources include experts in all areas of the mineral, chemical, and manufacturing arenas. This diversity allows us to tailor a special project team for each volume that provides the right blend of expertise in the fields of marketing, technology, manufacturing processes, competitive intelligence, and strategic planning.

Our project teams are experienced at researching and analyzing information available from a variety of industry sources. These teams are further supported by MineSet Partners organization, providing a wealth of experience and knowledge within our firm dating back over three decades. This high level of technical support and expertise allows us to maintain a high standard of execution and consistently deliver quality studies and assessments.



## Our Existing Global Database

The key project team members have been involved with numerous consulting assignments in the specialty silicas industry, including four comprehensive regional analyses of the markets for specialty silicas dating back to 1987.

These projects have enabled MineSet Partners to develop a substantial database that contains detailed information on silica suppliers, products, customers, trends, and production technologies. In addition, this database has been augmented with an equal amount of information from numerous proprietary consulting assignments in the specialty silicas industry. As a result, our staff maintains an up-to-date and in-depth knowledge store of industry trends, product developments, and supply shifts around the world.

## Relevant Assessments and Studies

MineSet Partners has completed a number of relevant assignments in the specialty silicas area, including our highly regarded previous editions of this *Specialty Silicas* series of reports. Individual team members also bring complementary skills from consulting programs such as business strategies, acquisition analyses, manufacturing economics, competitive assessments, market size and segmentation, image analysis, and other proprietary assignments in the specialty silicas business.

The team's experience has also been pivotal in the ongoing success of our two other continuing service programs, *The Outlook for Coating and Filler Pigments in Paper* and *The Outlook for Performance Minerals in Industrial and Consumer Markets*, as well as other syndicated titles listed below, all of which are now being administered by MineSet Partners:

- The Outlook for Industrial and Consumer Markets for Performance Minerals, North America and Western Europe, 2007-2015
- The Outlook For Coating And Filler Pigments In Paper, 2005-2008
- Specialty Silicas – Global Strategic Analysis, 2002-2005
- The Global Outlook for Extender and Filler Minerals in Paper, 2000-2002
- Specialty Silicas – Global Competitive Analysis: Asia-Pacific, North America, Western Europe, 1997-1999

- Extender and Filler Minerals Western Europe, 1996
- Inorganic, Specialty, and Natural Thickeners USA, 1996
- Specialty Silicas, 1987

## Subscription Terms and Options

For many companies, budgeting for outside consulting services is becoming increasingly difficult, due to the unusually fast pace of change in many end-use industries. As a result, we have developed various subscription option plans that are intended to enable companies of all sizes to take advantage of this valuable service.

### Full Subscription and Benefits

As a subscriber to the entire three-volume series of Regional Business Reports, your company will also receive the bi-annual Global Advisory Report, which will provide you with updated global market information, a discussion of the past year's industry trends, and an analysis of structural changes that have occurred in the specialty silicas industry over the past year. This stand-alone report will be provided following the completion of Volume I and III.

By purchasing the complete set of regional reports, subscribers will also receive a significant discount from the combined price of all three individual reports.

### Single Regional Volume or Multi-Regional Single Product Subscriptions

As a single Volume subscriber, your company can also elect to receive one or more of the Regional Business Reports, which will provide you with all of the insights and information outlined in the Table of Contents. We can also tailor a regional subscription package to one or more of the product chapters from each of the regional editions of this study. Please call us for more information and pricing terms on this option.



## Delivery Format Options

Subscribers can elect to receive three hard copies of each report ordered, or alternatively, electronic delivery (in Pdf Format) of the completed report, which allows distribution of the various sections of each report to colleagues within the same subscribing company on a worldwide basis, plus one hard copy. An additional charge of \$1,000 will be applied to each volume ordered in electronic format.

Additional hard copies will also be made available for a nominal fee.

## Subscriber Acknowledgments

By signing the Agreement on the back page of this brochure each subscriber to this service is agreeing to the following terms:

Please enter our subscription to your comprehensive study *Specialty Silicas: Global Strategic Analysis, 2008-2010*. The standard subscription includes three copies of the Regional Business reports, and one day of consultation time within the scope of the study. A subscription to the electronic version of the study includes delivery of pdf files and one day of consultation time, plus one hard copy of the report. Additional hard copies of the report are also available for an additional fee.

To protect our investment in this report and that of other subscribers, we agree that, for a period of three years after its date of issue, we will: (1) refrain from reproducing or copying this report in whole or in part by any means; (2) restrict its circulation to our own employees; and (3) use all reasonable precautions to prevent the disclosure of its contents to any other persons or organizations. We may, however, make this report available to any subsidiary company in which we hold more than half interest or to any parent company that holds more than a half interest in our firm. We may also use or disclose any information in this report that is public knowledge, that was already in our possession before receipt of the report, or that comes to us from third parties independently of this report.

MineSet Partners LLC similarly agrees that it will use all reasonable precautions to prevent the disclosure of the contents of this report to any persons or organizations other than subscribers for three years after its date of issue.

We understand that *Specialty Silicas: Global Strategic Analysis, 2008-2010* is available only by subscription. Subscription prices do not include sales tax. (NJ add 7% sales tax.) Subscription payments will be invoiced upon the start of the research phase of each regional Volume in this service. We will pay these invoices within 30 days of receipt. We further acknowledge that this agreement is fully binding on the corporation and non-cancelable. Standard shipping within the U.S. via FedEx Ground is included. Overnight and international shipping fees are optional and will be added to the total amount.

Please circle your subscription preference for each volume and add these amounts for each row in the column marked "Subtotal". You can fax a copy of the subscription agreement to (973) 366-0066, or e-mail a scanned image of the agreement to [sales@minesetpartners.com](mailto:sales@minesetpartners.com).

# *Specialty Silicas: Global Strategic Analysis, 2008-2010*

## Subscription Options and Rates

Study Options	Regional Business Reports	Extra Copies	Electronic Delivery (pdf format)-b	Subtotal (please fill in row totals)
Full Subscription	59,500-a	___@ 500 ea.	\$2,500	
Single Volume Subscriptions				
Volume I: North America	19,500	___@ 500 ea.	\$1,000	
Volume II: Europe	21,500	___@ 500 ea.	\$1,000	
Volume III: Emerging Markets (China and India)	23,500	___@ 500 ea.	\$1,000	

**a** – Invoicing for full three year service will be pro-rated over the service in three installments

**b** – Includes one hard copy of each report ordered

**Note:** All prices in U.S. Funds.

<b>Subtotal</b>
<b>NJ only: 7% sales tax</b>
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