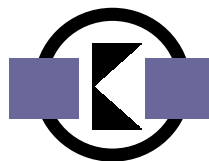


NOW AVAILABLE

SYNTHETIC LATEX POLYMERS 2000 MANUFACTURING ANALYSES

UNITED STATES
AND
WESTERN EUROPE



KLINE & COMPANY, INC.
OVERLOOK AT GREAT NOTCH
150 CLOVE ROAD
PO BOX 410
LITTLE FALLS, NJ 07424-0410
(973) 435-6262
www.klinegroup.com

Kline & Company, Inc. is pleased to announce that its new study on *SYNTHETIC LATEX POLYMERS 2000 - MANUFACTURING ANALYSES - UNITED STATES AND WESTERN EUROPE* is now available.

COMPARISON OF COST ANALYSIS FOR REPRESENTATIVE FACILITIES

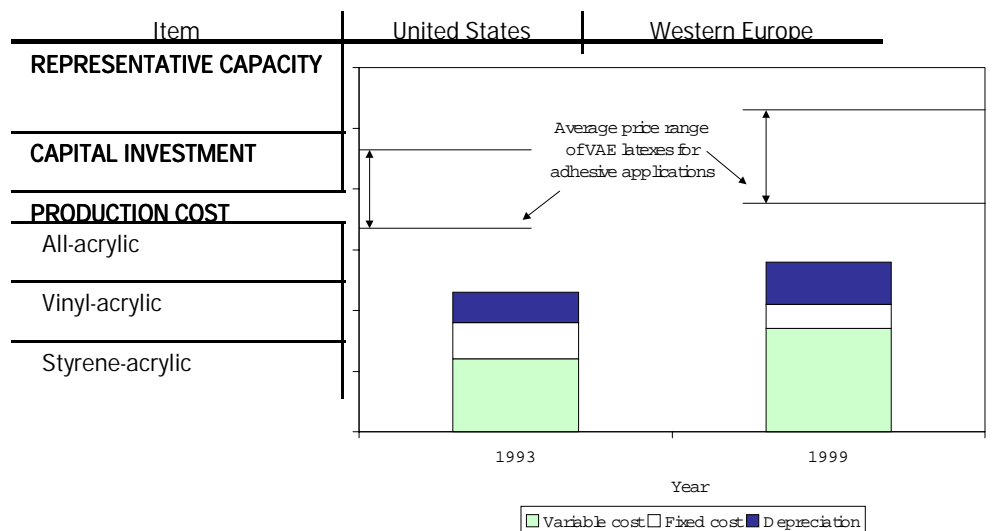


TABLE OF CONTENTS

1. EXECUTIVE SUMMARY

2. INTRODUCTION

3. ACRYLIC LATEXES

- Product brief
- Consumption
- Grades and prices
- Technology history and development
- Technology assessment
- Supply structure
- Representative acrylic latex producer
- Production economics and appraisal
- U.S. industry economic appraisal
- Western Europe industry economic appraisal

4. POLYVINYL ACETATE LATEX

- Product brief
- Consumption
- Grades and prices
- Technology history and development
- Technology assessment
- Supply structure
- Representative PVAc latex producer
- Production economics and appraisal
- U.S. industry economic appraisal
- Western Europe industry economic appraisal

5. STYRENE-BUTADIENE LATEX

- Product brief
- Consumption
- Grades and prices
- Technology history and development
- Technology assessment
- Supply structure
- Representative SB latex producer
- Production economics and appraisal
- U.S. industry economic appraisal
- Western Europe industry economic appraisal

6. VINYL ACETATE-ETHYLENE LATEX

- Product brief
- Consumption
- Grades and prices
- Technology history and development
- Technology assessment
- Supply structure
- Representative VAE latex producer
- Production economics and appraisal
- U.S. industry economic appraisal
- Western Europe industry economic appraisal

APPENDIX: List of organizations interviewed

SYNTHETIC LATEX
POLYMERS
2000 -
MANUFACTURING
ANALYSES -
UNITED STATES
AND WESTERN
EUROPE

Kline & Company, Inc. has now completed the latest update of its ongoing manufacturing analyses of the synthetic latex polymers industry in the United States and Western Europe. Kline is the recognized leader in monitoring and analyzing the emulsion polymer industries in North America, Europe, and the Asia-Pacific regions since the late 1970s. Kline & Company is pleased to announce the completion of this companion volume titled **SYNTHETIC LATEX POLYMERS 2000 - MANUFACTURING ANALYSES - UNITED STATES AND WESTERN EUROPE**. We are also conducting a global series of market analyses titled **SYNTHETIC LATEX POLYMERS 1999 - 2002 - A GLOBAL SERIES**.

This entirely revised study consists of a detailed manufacturing analysis and follows a format similar to that used for the manufacturing analyses published in 1993, focusing on the following major latex polymers:

- **Acrylics**
 - All acrylics
 - Styrene-acrylics
 - Vinyl-acrylics
- **Polyvinyl acetate**
- **Styrene-butadiene**
- **Vinyl acetate-ethylene**

For each latex category, our study includes:

- **Product briefs, pricing, supplier capacities, and recent M&A activity**
- **Technology developments and assessment**
- **Production cost analysis for representative facilities in the U.S. and Western Europe**
- **Sensitivity analyses to raw material costs, capacity, and capacity utilization**
- **Gross margin analysis and industry cost curves**

The production cost structures examined are based on operations representative of regional practices. Representative operations have been defined based on a thorough review of the technologies and production processes of various plants commercially operating in the given geographic regions. Detailed descriptions of the representative producer include the following:

- **Technology description and analysis**
- **Production process schematic**
- **Plant configuration and product flexibility**
- **Estimated replacement capital cost requirements (mid-1999 basis)**

Production cost estimates include all major variable and fixed-cost elements. Cost-sensitivity analyses and gross cash-margin estimates for the representative producer are also assessed. Both historical production cost structures and business profitabilities are analyzed. Cost comparisons are also made between the representative facilities of the U.S. and Western Europe. Figure 1 illustrates the type of detailed cost analysis included in these reports.

Computer-based economic models have been developed as part of these analyses to provide subscribers the flexibility of assessing specific business situations or scenarios for various business planning and decision-making purposes.

In addition, latex industry cost curves have been developed for each of the latex products in both U.S. and Western Europe. Production costs have been estimated for all major latex producers in each region based on their operating practices. Cash costs (production cost less depreciation) are plotted against the cumulative production capacity to illustrate the cost competitiveness in the industry. The actual table of contents for the study is shown on the previous page.

METHODOLOGY

Information development. In order to successfully complete the required analysis, Kline's program is based on developing accurate and complete primary information. This is coupled with assessing the information by a team of professionals using their individual expertise and the various analytical tools we have developed.

Information development is key, and Kline's procedure is based on conducting primary interviews with a variety of participants knowledgeable about the latex polymer industry.

Analysis approach. The objective that guides our work in commercial and strategic assessments and technology evaluation assignments is to develop our assessments based on the commercial realities of the marketplace and on what competitors practice in terms of their specific technologies. In order to achieve this objective, Kline's standard approach is to employ a three-phase process, as follows:

1. Preliminary concepts of the issues under analysis were developed based on a thorough review of all available secondary information (including such sources as patents, technical and commercial conference papers, various publications, and government filings) and the expertise of Kline's professional staff.
2. These preliminary concepts were then used as guidelines in conducting discussions with various organizations and individuals that may have knowledge about one or more aspects of the issues under analysis. The organizations interviewed during this phase included such firms as engineering contractors, equipment vendors, raw material suppliers, and various other industry participants. The result of this phase of activity was the development of preliminary commercial/strategic and technology assessments.

3. These preliminary assessments were then further refined through a series of additional industry interviews with individuals in manufacturing, research, and engineering. This phase involved the collation and thorough analysis of all data developed in the two phases described above, and the completion of the technology and manufacturing cost assessments.

OUR CREDENTIALS

Since our founding over 40 years ago, Kline & Company has become a global leader in business research and strategic consultation to the chemical and allied industries. Our industry specialists have a thorough understanding of the markets, participants, and technologies within the businesses that we evaluate.

Synthetic latex polymers. Kline & Company is the acknowledged leader in worldwide consulting to the latex polymers industry. We completed **SYNTHETIC LATEX POLYMERS - USA 1979**, the first comprehensive multiclient report on latex emulsions, followed by updated versions in 1984, 1988, 1993, and most recently in 1997. **SYNTHETIC LATEX POLYMERS - WESTERN EUROPE** was first published in 1988, and subsequently updated in 1993 and 1997.

The 1993 series included separate reports on **SYNTHETIC LATEX POLYMERS - MANUFACTURING ANALYSIS - NORTH AMERICA AND WESTERN EUROPE**. These manufacturing analyses provide a comprehensive and detailed technology and production cost structure assessment for each of the major emulsion types. These studies serve as the foundation for our expertise in the latex polymers area.

Kline & Company also expanded the geographic coverage of its analysis of emulsion polymer industries by publishing market analyses titled **SYNTHETIC LATEX POLYMERS 1996 - ASIA - PACIFIC - VOLUME ONE - CHINA** and **VOLUME TWO - SOUTHEAST ASIA**.

The new program, **SYNTHETIC LATEX POLYMERS 1999 - 2002 - A GLOBAL SERIES**, provides clients with an entirely new and updated edition of these highly acclaimed surveys, on a global basis. This new series covers South America, Asia-Pacific, North America, and Western Europe. Each year, we will provide subscribers with a comprehensive analysis of one region, plus a global summary of all four covered regions.

During our years of involvement in the latex industry, we have also conducted numerous confidential studies for individual clients on various aspects of the business around the world. Typical custom studies have incorporated such services as mergers and acquisitions, competitive intelligence, market assessment, strategic business planning, strategic partner searches, and manufacturing economics.

HOW TO SUBSCRIBE

SYNTHETIC LATEX POLYMERS 2000 - MANUFACTURING ANALYSES - UNITED STATES AND WESTERN EUROPE is now available only on a subscription basis. Subscriptions include three copies of each written report and computer model diskettes. For further information on the scope of the program, please contact Dilip Chandwani, business manager, Manufacturing Economics, in our Little Falls, NJ office at (973) 435-3424.

SYNTHETIC LATEX POLYMERS 2000 - MANUFACTURING ANALYSES - UNITED STATES AND WESTERN EUROPE

Please enter our subscription to your comprehensive study **SYNTHETIC LATEX POLYMERS 2000 - MANUFACTURING ANALYSES - UNITED STATES AND WESTERN EUROPE**. This subscription includes three (3) copies of the complete report and computer model diskettes. Additional copies of the report are available for \$500 each.

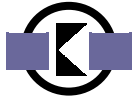
To protect our investment in this report and that of other subscribers, we agree that, for a period of three years after its date of issue, we will: (1) refrain from reproducing or copying this report in whole or in part by any means; (2) restrict its circulation to our own employees; and (3) use all 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.

Kline & Company, Inc. 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 **SYNTHETIC LATEX POLYMERS 2000 - MANUFACTURING ANALYSES - UNITED STATES AND WESTERN EUROPE** is available only by subscription, and that the price of the study is \$23,000 (U.S. funds). Subscription prices do not include sales tax. (NJ add 6% sales tax.) Kline will invoice us immediately for the full amount and we will pay this invoice within 30 days of receipt.

We have completed and signed this subscription agreement. Please indicate your acceptance of this subscription by countersigning and returning one copy for our files.

ACCEPTED	KLINE & COMPANY, INC.	COMPANY
_____ SIGNATURE	_____ SIGNATURE	_____ SIGNATURE
_____ NAME	_____ NAME	_____ NAME
_____ TITLE	_____ TITLE	_____ TITLE
_____ DATE	_____ DATE	_____ DATE
		_____ P.O.
SHIP TO:		SEND INVOICES TO:
_____ NAME	_____ NAME	_____ NAME
_____ TITLE	_____ TITLE	_____ TITLE
_____ ADDRESS	_____ ADDRESS	_____ ADDRESS
_____	_____	_____



THE KLINE GROUP

USA

KLINE & COMPANY, INC.
OVERLOOK AT GREAT NOTCH
150 CLOVE ROAD
PO BOX 410
LITTLE FALLS, NJ 07424-0410
TEL: (973) 435-6262
FAX: (973) 435-6291
E-mail: consult@klinegroup.com

EUROPE

KLINE EUROPE, S.A.
1 AVENUE GRIBAUMONT
B-1150 BRUSSELS
BELGIUM
TEL: (32-2) 770-4740
FAX: (32-2) 770-9440
E-mail: consult@kline-europe.com

