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DIC Corporation

DIC Establishes Polymer Technical Center–China
—Accelerating development of products that meet local needs—

DIC announced the establishment in January 2016 of a new polymer technical unit in the People's Republic of China (PRC), a move aimed at locking in local demand for polymers in the country, which is expected to increase, by accelerating the development of products that meet the needs of local customers. The new unit, the Polymer Technical Center–China, is under the jurisdiction of regional headquarters DIC (China) Co., Ltd., and will operate primarily at the research facility belonging to DIC Zhangjiagang Chemicals Co., Ltd., a local DIC Group company involved in the manufacture of polymer products.



In recent years, the DIC Group has promoted the creation of regional technical centers for key businesses with the goal of strengthening these businesses' overseas technical services framework by, among others, facilitating the development of products suited to local requirements and the timely provision of technical services. A polymer technical facility for the Asia–Pacific region, established in Thailand 2015, has already achieved measurable success. In addition to fulfilling this role for the polymers business in the PRC, the Polymer Technical Center–China will position the Group to respond to a shift toward waterborne products in the country's polymers market, which is expected to see considerable growth against a backdrop of increasingly severe environmental degradation. The Chinese government has passed laws and introduced tax breaks to encourage the use of water-based industrial coatings, as a consequence of which

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DIC currently estimates that demand for waterborne resins for use in such coatings will climb to approximately four times the 2015 level by around 2020.

The DIC Group has actively expanded its polymers business in the PRC since the late 1990s, establishing three companies—Changzhou Huari New Material Co., Ltd., DIC Synthetic Resins (Zhongshan) Co., Ltd. and DIC Zhangjiagang Chemicals Co., Ltd.—in rapid succession. By integrating technical aspects of the Group’s local polymers business, the Polymer Technical Center–China will assist the centralization of information and enhance the efficiency of research, thereby hastening the development of products that address local customer needs. In addition, the unit will promote collaboration with local Group companies in the printing inks and efforts to foster local technical staff.

The Group is also taking steps to reinforce the sales configuration of this business by merging related functions into sales company DIC (Shanghai) Co., Ltd., to facilitate integrated management, the benefits of which include the sharing of market and customer information.

Under its current medium-term management plan, DIC108, launched in January 2016, the DIC Group will strive to achieve an increase in overseas sales of 24% from the 2015 level in 2018, the final year of the plan, by focusing efforts on boosting sales of products for use in industrial coatings in Asia. The polymer technical centers in Thailand and the PRC will play a particularly crucial role in ensuring the Group’s ability to provide products and technical services customized to local needs. Looking ahead, the Group will continue working to develop products that respond to customer requirements in different regions and will allocate management resources to the realization of strategic product families with the objective of becoming a leading provider of products for promising applications in markets around the world.

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