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Adhesives, sealants face a tough market

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ADHESIVE AND sealant producers are facing a slew of market challenges, including high raw material costs, globalization and environmental regulations.

Producers are finding themselves up against increasing raw material and energy costs, said Dave Nick, president of consultancy DPNA International, at the Adhesive and Sealant Council's 2007 Spring Convention and Expo in Savannah, Ga.

Producers are also dealing with a shifting consumer base, consolidation in the industry, growth in Central and Eastern Europe (CEE) and rising environmental issues.

Reach comes into force June 1, noted Ian Cornelius, sales manager at Apollo Chemicals.

Although Chinese demand for adhesives and sealants is booming, producers may want to also concentrate on business in India, said Manilal Savla, president of Savla Associates.

"When it comes to Asia, American industries only focus on China," said Savla.

However, he noted that India has the world's fourth-largest economy and a population of 1.1bn. The strongest demand for adhesives in India is for water-borne products.