'Business in the Process Industry is Picking Up'

IBIC Looks Back on Its First Year

Birthday – Hans-Peter Beier has managed to pull off a feat that many would have considered to be too risky, too daunting. In 2009 – in the thick of the worldwide economic crisis – he founded IBIC, an international engineering and consulting firm that supports companies in designing new manufacturing plants for the process industry. When CHEManager Europe spoke to him a few months after the launch of his company, Beier said that everything had been developing according to plan and he had "no reason to complain." Now, one year later, Beier reflects back with Brandi Schuster – and also looks to the months ahead.

Hans-Peter Beier, IBIC

CHEManager Europe: Your company has recently celebrated its first anniversary – congratulations! How have the last 12 months been for you?

H. Beier: Although it was a very challenging year, our business development has been very successful. In fact, I would even dare to say that we have found our niche in the market as a European provider of engineering services for plant designers and operators.

You established your company in the middle of a global economic crisis. How did the economic climate impact your business?

H. Beier: We definitely felt negative effects. For example, it took a bit longer to achieve our growth targets than we had originally planned.

Emerging economies such as China and Brazil have achieved the fastest recovery. Has this changed the scope of your international business? Which other regions are showing growing interests in building plants for the process industry?

H. Beier: Since our target market is Europe, the scope of our international business has not really changed. Yet, even our European customers have a large share of projects for building or modernizing plants in the Middle East, India or the Asia-Pacific region.

What kind of organic growth has IBIC experienced in the past year? Do you have any plans for expanding your business through acquisitions or partnerships?

H. Beier: Our service business has grown steadily from the start, whereas our company growth has lagged a bit behind our forecasts so far. Although we are not planning with acquisitions at this time, we are building up our partner network step by step.

What were the biggest challenges that you faced in the past year?

H. Beier: Every company needs to make certain key investments during the start-up phase – whether sales are developing as planned or not. Spending, however, always feels awkward when you hit a weak business cycle.

Is there anything you would do differently if you could start over again?

H. Beier: As far as the fundamentals are concerned, I would make the same decisions today that I did a year ago. I would, however, make a few small tweaks based on what I know today. For example we could already have recruited even more project engineers earlier based on the regained strength of our industry sector these days.

Where do you see your company in the next 12 months?

H. Beier: Business in the process industry is really picking up in general, and I think that our company will profit from this development. We've already seen a jump in the demand for services in late summer. As a result, we have good reason to be optimistic in attaining our ambitious targets.

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Lanxess Opens New Plant for Ion Exchange Resins in India

Specialty chemicals group Lanxess opened Asia's most state-of-the-art plant for ion exchange resins in India on Dec. 2.

The new plant was constructed over a period of two years in the new chemical park in Jhagadia in the Indian state of Gujarat. It boasts an annual capacity of 35,000 metric tons.

Around 200 employees from the Ion Exchange Resins (ION) business unit manufacture products for industrial water treatment for the semi-conductor and pharmaceutical industries, the food sector and the power industry.

The opening marked the successful completion of the second expansion phase in Jhagadia. The first project phase, which was completed in March of this year, saw a rubber chemicals production plant taken into operation.

Overall, Lanxess has invested around €50 million in the site to date.

"Demand for clean water is set to increase by around one-third worldwide by 2030. In Asia in particular, and in India especially, demand will grow disproportionately due to rapid population growth and increasing urbanization," said Chairman of the Lanxess Board of Management Axel C. Heitmann at the official opening ceremony, which was also attended by the State Premier of the Indian state of Gujarat. "Production has therefore started at exactly the right time to benefit from this development." ■

LG Chem, Samsung Total to up Naphtha Cracking Capacity

South Korean petrochemical makers are racing to upgrade their naphtha cracking facilities to cash in on resurgent demand for plastics in Asia, led by China, after its worst slump in late 2008 due to the recession. LG Chem will raise its Daesan naphtha cracker capacity by 100,000 tons per year (tpy) to 900,000 tpy next March, bringing its total cracking capacity to 1.9 million tpy, industry sources said. The expansion at the country's No. 2 petrochemical maker will bring its total capacity on par with top ethylene maker YNCC. Another South Korean petrochemical maker, Samsung Total, will raise its capacity by nearly 18 % to 1.0 million tpy next year.

It will shut the cracker, where current capacity is 850,000 tpy, in May for about 45 days for the upgrading works.

The higher cracking capacities from LG Chem and Samsung Total will add around 750,000 tons of naphtha demand a year from South Korea, keeping the market for the petrochemical feedstock in a healthy mode. Come 2012, Honam Petrochemical, currently the No. 3 ethylene maker, may even replace YNCC and LG Chem to take the top spot if it decided to push on with plans to raise total cracking capacity to 2 million tpy from 1.75 million tpy, sources said. ■

Wacker and Dow Corning Open China's Largest Site

After four years of construction, Wacker Chemie and Dow Corning Corporation officially inaugurated their joint integrated silicone manufacturing site in Zhangjiagang, Jiangsu province, China. The facility will serve fast-growing demand for silicone materials in China and Asia. The combined \$1.8 billion investment, covering 1 million m^2, is China's largest facility of this kind and is among the world's biggest and most advanced integrated silicone production sites. The integrated site includes a siloxane plant and a pyrogenic silica plant, both of which are jointly owned by Wacker and Dow Corning. The site also features finished silicone production plants which are owned and operated independently by each company.

Siloxane and pyrogenic silica are key ingredients in the manufacture of finished silicone products. Silicone-based materials are used in nearly all sectors of China's booming economy, including automotive, construction, cosmetics and personal care products, electronics, power generation and distribution, solar energy and textiles. The landmark project began in 2006 and the first phase of raw material production was launched in 2008. The combined capacity for siloxane and pyrogenic silica is expected to reach approximately 210,000 mt/y. ■