

Key Highlights

- Awareness of ESIG and its products has increased over the years. Regulators in particular have increased their knowledge of ESIG and generally trust its role in providing information on solvents.
- All of the respondents see the industry as more open. ESIG is seen as a credible organisation, in particular, its credibility has increased significantly among regulators.
- A large majority of respondents perceive ESIG's messages as clear and understandable.
- Solvent producers are recognised as responsible however there are some concerns about the level of responsibility among users in small companies.
- ESIG's communications play a key role in knowledge exchange and keeping audiences informed about environmental, health & safety information and legislation in particular. Safety data sheets are quoted by nearly all respondents as the main source of HSE information. Email newsletters are one of the most requested tools.
- Solvent issues will remain important in the near future, compared to other issues, with the focus being essentially on the environment (emissions) and REACH.
- Respondents' knowledge of the uses of solvents is limited to certain applications. Among the product benefits spontaneously mentioned, product effectiveness and good cleaning power came top of mind.
- Legislation: overall, 83% are aware of pending legislation that might impact the solvents industry compared to only 26% in 2002 – a considerable shift.
- About 50% of the sample (twice as many as 2002) felt that ESIG has been constructive in addressing regulatory developments.
- Most customers felt that ESIG provided good support. Some would welcome additional support.
- 60% of customer respondents expect to use solvents in the future to the same extent as today, although water-based alternatives are becoming increasingly popular.

Background

The European Solvents Industry Group (ESIG) represents Europe's major solvent manufacturers including companies such as BASF, Dow Chemical, ExxonMobil Chemical Europe, Innovene, Shell Chemicals and Total. ESIG was created in 1996 as an information source on solvents in Europe. ESIG's communications are tailored to its various audiences which include regulators, solvent-using industries and selected media. The group fosters best practice in solvent usage, and in health, safety and environmental protection. ESIG members are committed to Responsible Care® and to the principles and practice of Product Stewardship.

ESIG member companies also participate in the work of the European Solvents VOC Co-ordination Group (ES-VOC-CG) which represents the views of European solvent-producing and using industries on issues relating to the safe management and use of solvents.

ESIG and ESVOC members are particularly involved in Air Quality and VOC discussions.

An integral part of the ESIG programme is to ensure that it captures the views and opinions of its stakeholders. To this end, ESIG regularly undertakes surveys among this audience: in the autumn of 2005 an independent research institute was commissioned to carry out a study into the awareness and effectiveness of ESIG and its messages.

This is the third survey of its kind, enabling us to track progress over time. Below you will find the design of the survey and a summary of the main findings.

Research Methodology

Response Consulting Ltd conducted a total of 68 interviews with key opinion formers across Europe. Structured telephone interviews took place with 52 to collate quantitative data. A further 16 qualitative in-depth interviews were conducted.

Whom did we speak to?

Regulators	20
Trade Journalists	1
Customers/Distributors	41
Trade Associations	6
Total	68

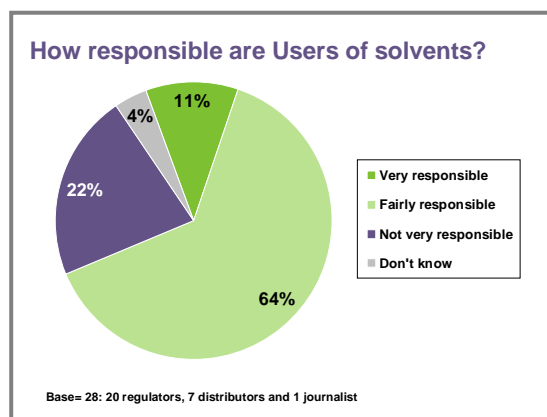
The results for each main audience type are meaningful because of the small “universe” and relative importance of the people interviewed.

Main findings

1. Knowledge and perception of the Solvents Industry

One of the aims of ESIG is to improve understanding of the solvents industry.

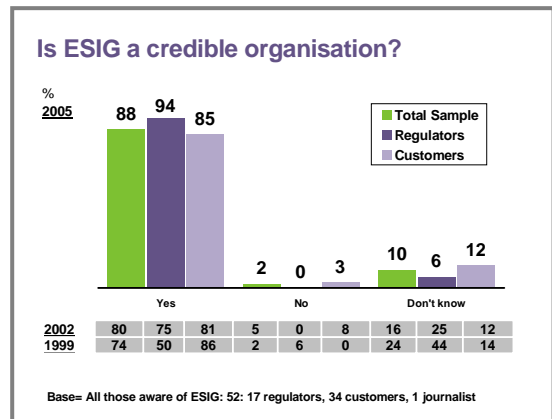
- Knowledge about ESIG and its products has increased over time. Regulators in particular are much more knowledgeable than in the past – now 75% of them say they know a fair amount about the industry compared to 25% who responded three years ago.
- Not surprisingly, customers are still more likely to say they know a lot about solvents compared to regulators but regulators are catching up fast. Three quarters say they know a lot or fair amount about solvent products, the industry in general and ESIG, with knowledge of all on an upwards curve across all groups. Legislation appears to have helped respondents to be better informed. However, half of the customers/distributors interviewed feel they know "just a little", an area that ESIG should address.
- Solvents continue to be associated with the same areas of use as in previous surveys: paints and coatings, cleaning, adhesives, detergents, printing, household products.
- The trend that the solvents industry is seen as “open” continues upwards ("as open as it can in view of competitive considerations"). The main change is among regulators.
- A majority of regulators and distributors view both solvent producers and solvent users as “responsible” however there remain some concerns, particularly amongst regulators, with regard to solvent users in small companies, an area that could be addressed by ESIG in the future.



- Attitudes towards the solvents industry as a whole continue to improve. This improvement is attributed to:
- The industry taking more responsibility, both producers and users
- More openness, with more communication and more dialogue, especially with regulators.
- This acknowledgement of the industry making an effort however is still against the context of a strong regulatory agenda.
- Less than 1/3 of the customers interviewed are members of a Solvents Trade Association, indicating that more could be done to involve/engage more of them.

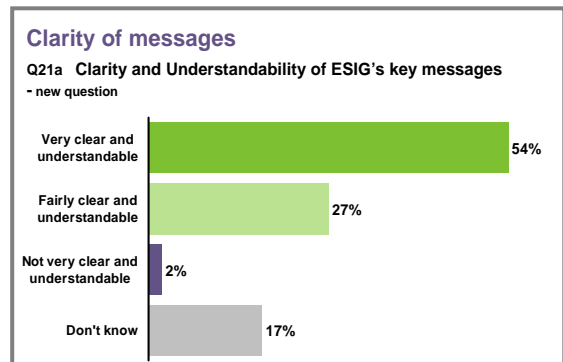
2. Knowledge and awareness of ESIG

- There are many channels of information about solvents and ESIG is but one of several. For customers, the key sources are their own industry experience and their suppliers. For regulators, experience in related policy making and ESIG are the key sources of information.
- Close to 90% of the sample view ESIG as a credible organisation that represents industry views with some authority, an increase compared to the previous surveys, and in particular, among regulators.



ESIG's messages are seen as clear and understandable, with 54% placing them at the highest level - "very clear and understandable".

- When asked spontaneously, those aware of ESIG believe its key messages are:
 - Educating on environmental issues
 - Communicating health and safety information
 - Encouraging best practice among users
 - Informing on legislative issues, changes and economic impact of legislation
 - Promotion of solvent use.

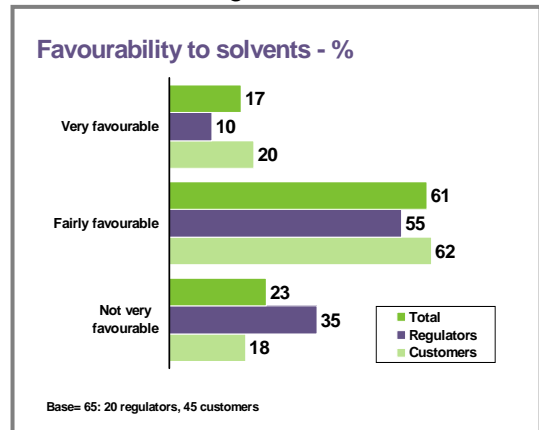


- Two-thirds of customers responded that they are well supported by ESIG. However, some others believe ESIG could do more or better on communicating to its customer base. This request is likely to be driven by the debate around REACH.
- ESIG compares well to other trade associations, but may have something to learn from CONCAWE, in particular around generating data on their products, organising symposia and being even more proactive in the regulatory debate.
- All but one customer feel ESIG is "fairly" (50%) or "very constructive" (46%) in the regulatory debate.

3. Image & Perceptions of Solvents

- Environmental, Health/Social and Safety concerns are the issues most commonly associated with solvents. With regard to the environment, air quality and emissions remain the most common concerns.
- Solvent-related issues remain as important as in 2002 (84% see solvent issues as important) and the trend is expected to continue.

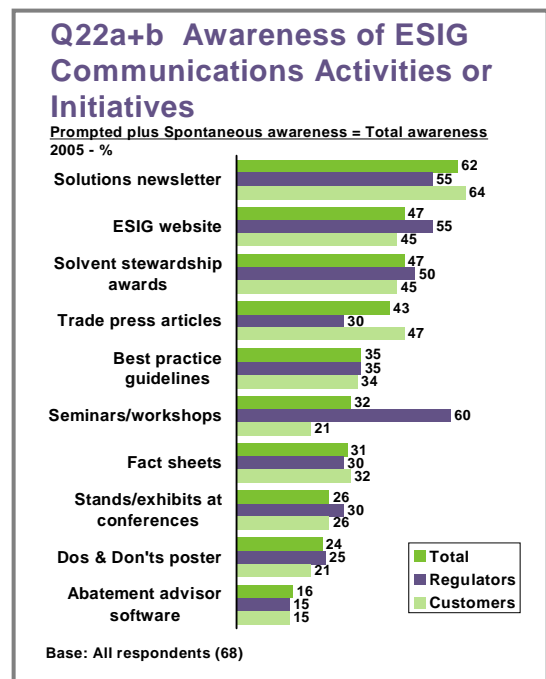
- ESIG is seen as adequately addressing the issues raised but new technologies (low-VOC, water-based alternatives) are seen by some respondents - though not all - as an effective way of resolving them. Ensuring safer use of solvents and encouraging compliance were mentioned as other solutions, particularly among customers.
- The main product benefit of solvents cited spontaneously - mainly by customers - was product effectiveness (solvency), followed by good cleaning power, quick/tailored drying speed.
- Regulators are now as aware of the benefits of solvents as customers – a quarter of both samples saying there are “too many to mention”.
- 83% of the customers are aware of pending legislation on solvents (both small and large companies). The key pieces of legislation mentioned are the VOC Directive (Solvent Emissions Directive), the paint directive, classification and labelling and REACH.
- A majority of those surveyed feel “fairly favourably” disposed towards solvents. However, one in three regulators cited “not very favourable”. The current political climate is placing pressure on all emissions, an issue for the chemical industry more widely (in particular due to the development of REACH).
- 60% of the customer respondents are likely to use solvents to the same extent in the future, while 30% are less likely to use solvents.
- Aromatics and chlorinated solvents (not covered by ESIG) are the products associated with the highest level of concern.



4. Awareness of ESIG's Communication Activities/Initiatives

- The “Solutions Newsletter” is the best known of ESIG’s communication initiatives, followed by (in order):
 - ESIG website
 - Solvent Stewardship Awards
 - Trade Press Articles
 - Best Practice Guidelines

- Awareness of the ESIG website has grown slightly, with respondents using it for case studies, background information and regulatory updates. Regulators in particular find it a useful source of information. Some support tools such as the Abatement Advisor are very useful by a small minority of those who use them. Similarly, the "Do's and Don'ts" poster, piloted in 2005, was very well received and deserves even further promotion. Overall communication activities and initiatives score high on usefulness for those that know about them, the greatest challenge is to extend the outreach and awareness along the supply chain. This is particularly the case for the website, the Awards and product benefits.



- Far more regulators and trade associations said they had had personal contact recently with ESIG and this contact was welcomed. The personal contact received, whether face to face, by phone or email is considered “very useful” by 94% of those canvassed, a considerable increase on previous years.

- Two thirds (66%) said that ESIG communicates with them via the most appropriate channels. A few would welcome more email – mainly because this would allow documents to be circulated more widely in their organisation.
- There is a need for clear and up to-date information on what is happening in the industry, the likely legislative agenda and upcoming issues.

Once again we would like to thank you for your participation and contribution to the ESIG Opinion Survey.

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Alternatively, visit the ESIG website:

www.esig.org