

NCS RESINS (PTY) LIMITED

NCS Resins is the largest manufacturer of unsaturated polyester resins in the southern hemisphere. Established in the early 1900's, the Natal Chemical Syndicate was formed to manufacture methylated and rectified spirits for the South African tanning industry. In 2001, after several changes in the name, ownership and the production line, NCS Resins returned to private ownership with a consortium consisting of NCS Resins management and Vereguard (Pty) Ltd (a leading importer and SA distributor of Reichhold polyester resin).

With an existing 13% BEE stake in the business, NCS Resins has recently signed an agreement giving black-owned Medu Capital a 27% shareholding. This brings the BEE share of NCS Resins to 57%. MD, André Immelman, believes that the agreement will enhance the company in a number of ways. As Medu Capital is an established player, which has made a number of significant value-enhancing investments in the past years, the agreement will strengthen the company's strategic shareholder base and corporate governance structures.

The company had restructured in line with its philosophy of service excellence and the company vision, "to be the supplier of choice through service excellence". Armed with a strong balance sheet, the company is determined to grow the business organically, especially on the export front.

Products

NCS Resins operates under a technology license agreement with Reichhold to manufacture the Norpol and Polylyte brands, as well as produces their own in-house technology. NCS Resins is the sole global licensee of Reichhold, the world's largest manufacturer of polyester resins. Although NCS Resins is a proudly South African entity, it ensures that its customers feel the full global benefit of its connection to Reichhold by granting them access to the latest technologies. In addition to this resin-technology support, NCS Resins ensures that the South African market receives the very best international products by having leading suppliers of accessory products such as peroxide catalysts, glassfibre reinforcements, release agents into

the polyester industry as principles. This includes companies such as Plexus, Lantor, Magnum Venus Plastech, Akzo Nobel, Axel, Hawkeye, Vivian Regina, Owens Corning and Texglass.

The major sectors the company serves are the construction and transport sectors, although its products also feature in recreation, chemicals, mining, electrical, fashion and marine sectors.

NCS Resins exports 20% of manufactured products into Africa, the Middle East and the Indian Ocean Islands. In addition, base resins are exported to the facility in Australia, where products are tailored for local consumption.

Facilities

NCS Resins has modern manufacturing and laboratory facilities in Isipingo and Pinetown, both in the Durban area and branches in Durban, Port Elizabeth, Cape Town and Johannesburg. The company is also represented in Australia operating a blending and distribution business.

Challenges

NCS Resins is facing a number of challenges, namely, fuel increases, electricity issues and the economy in general. NCS Resins' products are all oil based and these escalating prices have a huge impact on the company's raw materials, of which 70% are imported. The company has consciously made an effort to maximize customer product deliveries ensuring that the company trucks are going out with full deliveries in an attempt to curb fuel costs.

The company continues to pursue its innovative ideas to enable them to keep ahead of their competitors and are currently busy launching a new EPS (Expanded Polystyrene System) which does not attack polystyrene. The second innovative product is the new RTM system which is a closed mould system and has the following

benefits: zero styrene emissions, the tooling costs are significantly reduced and the system is fully automated!

Training

NCS Resins boasts of their training and education programmes, both internally and externally. A number of Learnerships have just started their 1-year training programme which will give them a NQF level 2 qualification in chemical plant operations. The training programmes extend to the rural areas where the company is working with NGOs to ensure people obtain the correct skills utilizing NCS Resins' products to develop small businesses. The company's technical expertise is also used in various training organizations pertaining on industry.

Quality, Safety and Environment

NCS Resins manufactures to the ISO 9001:2000 quality management system. The company's aim is to supply the highest quality products at competitive prices, with excellent technical backup, after sales service and deliveries.

NCS Resins is committed to the future of both the Southern African GRP and composites industries as well as the country. As a manufacturing concern dealing with hazardous chemicals, NCS Resins is committed to the protection of its working environment. The company conducts regular seminars covering subjects such as fire and explosion, environmental impact assessments, reactive chemicals, noise levels, dust and styrene emissions and waste reduction. NCS Resins is committed to raising the industry health and safety standards to international levels.

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