EU – REACH Journey

Anita Jain
Rogers Corporation
May 6, 2009
177 years as a company!

2008 Sales $365 Million

Global Operations - China, USA, Europe

Approx. 2000 employees worldwide

Very diverse product offerings
Global Presence: Manufacturing

USA:
- Rogers, CT
- Woodstock, CT
- Carol Stream, IL
- (3) Chandler, AZ

EUROPE:
- (2) Ghent, Belgium

ASIA:
- (5) Suzhou, China
- Taipei, Taiwan (RCCT)
- Nagoya and Mie, Japan (RIC)
Strategic Segments

Printed Circuit Materials

High Performance Foams

Custom Electrical Components
COMMUNICATION INFRASTRUCTURE

- DSL Repeater
- Antennas
- Base Stations
Diverse Customer Base

- AIRBUS
- IBM
- DELPHI
- ERICSSON
- Anaren
- Motorola
- HUAWEI
- SHARP
- BOEING
- Alcatel-Lucent
- ZTE
- SAMSUNG
- NIKE
- Hutchinson Technology
- BRADY
- Powerwave Technologies
- Bosch
- Nokia
Scope:

• All imported *substances* – either on itself, in *preparations* or to be *intentionally released from articles* – need to be (pre-)registered with European Chemical Agency.

• From Dec 1, 2008.

• If not => import is illegal.

**REACH** gives priority to *Substances of Very High Concern (SVHC)* and large volume substances.
**Substances:** A chemical substance and its compounds in the natural state or obtained by any manufacturing process. For example: chemicals, metals, etc.

**Preparations:** A mixture of solution composed of two or more substances. The function is more determined by the chemical composition than by its shape, surface or the design. For example: Paints, Resins, Alloys, etc.

**Article:** An object which during production is given a special shape, surface or design which determines its function to a greater degree than does its chemical composition.
Who takes the ownership of REACH compliance responsibility?

- EH&S, Product Managers, Supply Chain, R&D.

Created a global REACH team with representation from US, China, and Europe.

Provided basic training to all key personnel throughout the corporation.
Determined import/export status of all raw materials and products.

Identified who is importer on record: Rogers – Europe or a Distributor.

Classified each imported material into Substance, Preparation or Article with no intended release.

Calculated imported volume (tonnage) to E.U.

Identified monomers of polymers.

Finalized REACH pre-registration list.
<table>
<thead>
<tr>
<th>Substance</th>
<th>Form. 1</th>
<th>Form. 2</th>
<th>Form. 3</th>
<th>Form. 4</th>
<th>Form. 5</th>
<th>Tons</th>
</tr>
</thead>
<tbody>
<tr>
<td>Substance A</td>
<td>110-00-0</td>
<td>1.55%</td>
<td>1.55%</td>
<td>1.55%</td>
<td>1.55%</td>
<td>1 - 10</td>
</tr>
<tr>
<td><strong>SVHC</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Substance B</td>
<td>111-00-0</td>
<td>10.66%</td>
<td>10.66%</td>
<td>10.66%</td>
<td>10.66%</td>
<td>1 - 10</td>
</tr>
<tr>
<td>Substance C</td>
<td>112-00-0</td>
<td>20.77%</td>
<td>20.77%</td>
<td>20.77%</td>
<td>20.77%</td>
<td>10 - 100</td>
</tr>
<tr>
<td>Substance D</td>
<td>Proprietary</td>
<td>30.88%</td>
<td>25.00%</td>
<td>26.00%</td>
<td>27.46%</td>
<td>28.57%</td>
</tr>
<tr>
<td>Substance E</td>
<td>Proprietary</td>
<td>20.99%</td>
<td>31.25%</td>
<td>32.19%</td>
<td>32.97%</td>
<td>34.01%</td>
</tr>
<tr>
<td>Substance F</td>
<td>113-00-0</td>
<td>17.00%</td>
<td>13.13%</td>
<td>20.21%</td>
<td>11.30%</td>
<td>10.23%</td>
</tr>
</tbody>
</table>
How to protect intellectual property information?

- Use Third Party or Only Representative?

Negotiated lengthy contract with Only Representative.

Establishing a long term relationship with OR due to registration deadlines until 2018.

Annual cost of retaining OR services.
Not able to pre-register.
- Manufacturer won’t provide info.
- No longer polymer (not on market prior to Jan. 6, 2008).
- New to the EU market, not on EINECS.

Evaluated all products for SVHC.

Prepared responses to customer inquiries.
Rogers is not planning to Register.
  • Too $$$.
  • We don’t have the right information and control over the materials we purchase.

For every substance, we have to find a solution to have our imported volumes covered by a registration.
  • Needs to be in place at the latest by the registration deadline (2010, 2013, 2018).
  • No solution means no import in EU.

We also have to make sure that our “use” is covered by the registration.
Options (1):

- Purchase raw materials from EU manufacturers.
  - Manufacturers have to register.
- Keep aggregated volumes < 1 ton/year per substance.
- Import raw materials through an EU importer.
  - EU importer must find a solution.
  - Would not be a solution for the product imports.
Options (2):

- Rely on the registration done by the non-EU manufacturers’ Only Representative or an OR higher up in supply chain.
  - Complex.
  - Requires a lot of negotiation with the supply chain.  
    - They are not obliged to accept it!
  - Has to be covered contractually to mitigate risks.
  - We have to report our imported volumes.

- Register ourselves.
  - $$$!
REACH Risks

Vendor of Critical Products:

- May not register or not register for our intended “use”.
  - Some specialty chemicals may be phased out due to high registration cost.
- Withdrawal from market (business continuity).
  - User may have to reformulate their products and re-qualify with the customers.
  - User or importer may have to register themselves.
  - User has to do the chemical safety assessment.
- Cost
  - May increase their prices due to registration costs.
  - Substances of very high concern may be subject to use restrictions.
- May pre-register, but not register … => 😞

New products.
Future Needs

Harmonization

- RoHS – REACH – SVHC
- MSDS – SDS (REACH Compliant)
- GHS

To spend less resources on compliance and more resources on DfE programs.

Availability of green raw materials and strong market demand for green products.
A sustainable approach is needed:

- To maintain global market access.
- At lowest cost.
- To minimize business disruptions.
- To minimize legal liabilities.
- On-time product development.

“Capture as a Business Opportunity instead of Liability”
Product Life Cycle

New Focus

End of Life

R&D

Distribution Throughout the World

Design

Variety of Products & Packaging

Manufacturing

Traditional Focus
Robust system for reviewing all incoming raw materials (including R&D chemicals).

Use a flag system to identify all restricted (voluntary to regulatory) substances.

A notification system is in place to notify all affected parties.
Checks Are For Lists That Formaldehyde Is On

Find Under Modify Data

CAS # in Flag List

Checks Are For Lists That Formaldehyde Is On

Links for Toxic Chem. Release Inventory

http://130.11.53.73/lo/FMP?db=list_of_lists.fp5-lay=Detail
format=browse.htm-max=100-op=eqTRI=Y-find
US EPA TRI List
http://www.pirg.org/reports/enviro/waters98/page7.htm