

Evonik expands US production of precipitated silica

- Investment in the lower double-digit million Euros range in new facility in Chester, Pennsylvania, USA
- Thirty percent global capacity expansions planned for silica by 2014
- Increased growth expected from fuel-efficient lowresistance tires trend

Evonik Industries plans to increase its annual production capacities for precipitated silica at its US site in Chester, PA by around 20,000 metric tons. The new facility, which received an investment in the lower double-digit Euros range, is scheduled to become operational in 2014. The capacity expansion in Chester underscores the plans of the Evonik Group to expand its global silica capacities by about thirty percent over the level of 2010 by 2014.

"The market growth for precipitated silicas is primarily based on the trend to use fuel-efficient low-resistance tires," explains Dr. Thomas Haeberle, member of the Evonik Executive Board and responsible for the company's Resource Efficiency Segment. The use of silicas in combination with silanes allows for manufacturing tires with significantly reduced rolling resistance, which can save up to eight percent of fuel (compared to conventional car tires). Evonik is the only manufacturer to offer both components, making it a competent partner for high-performance tire formulations for its customers in the tire and rubber industry.

"After expanding our plants and constructing new facilities in Asia and Europe, we're now building up our capacities for our precipitated silicas ULTRASIL® and SIPERNAT® in North America as well," says Dr. Johannes Ohmer, head of the Inorganic Materials Business Unit. Evonik produces precipitated silicas at ten sites in nine countries. "We first saw rising demand in Europe, and now Asia and America are following suit along with other regions. Our charted expansion accompanies the growth of our global key customers in the tire industry," says Ohmer.

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Evonik is a global market leader in silicas. In addition to precipitated silicas used as stabilizing fillers for fuel-efficient tires, the Group also manufactures fumed silicas for application in silicone rubber, coatings, adhesives, and sealants. Overall, the global annual production capacity of Evonik for precipitated and fumed silicas as well as matting agents reaches 500,000 metric tons.

Parallel to applications in fuel-efficient tires, precipitated silica is also used as a carrier and anti-caking agent in the feed and food industry and serves as an additive in paints and coatings. The fumed silica AEROSIL® optimizes the surfaces and properties of a wide range of materials. AEROSIL® products are used to polish silicon panels in the chip industry and to make coatings more resistant to scratching.

Company information

Evonik, the creative industrial group from Germany, is one of the world leaders in specialty chemicals. Profitable growth and a sustained increase in the value of the company form the heart of Evonik's corporate strategy. Its activities focus on the key megatrends health, nutrition, resource efficiency and globalization. Evonik benefits specifically from its innovative prowess and integrated technology platforms.

Evonik is active in over 100 countries around the world. In fiscal 2011 more than 33,000 employees generated sales of around €14.5 billion and an operating profit (adjusted EBITDA) of about €2.8 billion.

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