



## Welcome to the 5<sup>th</sup> issue of Tradetalk

### Thank You

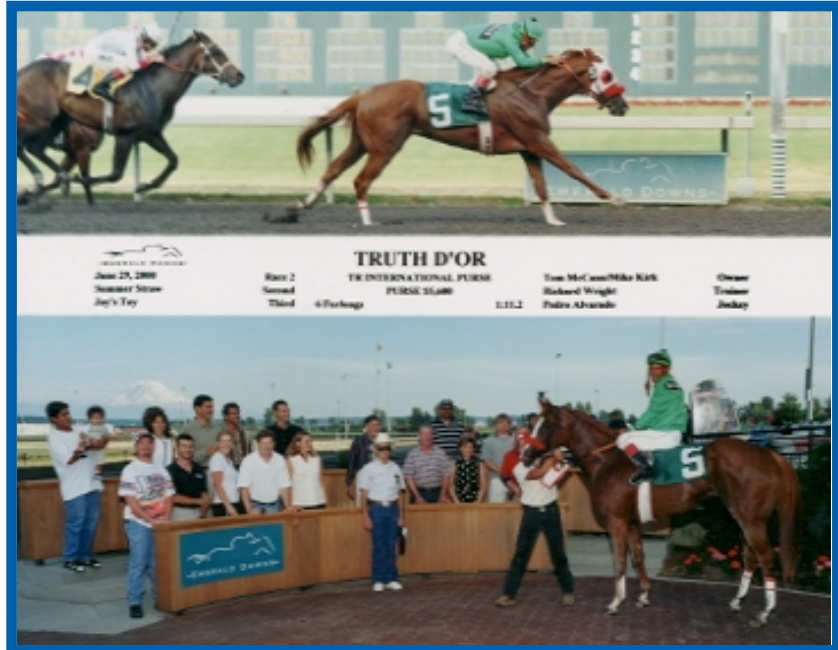
We have continued to receive great reviews from customers and vendors about Tradetalk, and we are glad to continue to report on what is happening at TRI, both on the business and social fronts. TradeTalk will be published twice a year; the March issue will come out before NPRA, and the October issue will come out before the International Coatings Exposition (Paint Show).

## Products



The following is a list of our strongest products.

- 1,4 Butane Diol
- Acesulfame K
- Benzyl Alcohol
- Bisphenol A
- Boric Acid
- Caustic Soda, Flakes
- Citric Acid
- DiPropylene Glycol
- Epichlorohydrin
- Epoxy Resins
- Fumaric Acid
- Glycerine
- Hydrocarbon Resins
- Maleic Anhydride
- nMP
- Pentaerythritol
- Propionic Acid
- Propylene Glycol
- TDI 80/20
- Tetrahydrofuran (THF)
- Titanium Dioxide



TRI was pleased to host a "Day at the Races" at Emerald Downs Racetrack

### ICE show

This year, the International Coatings Exposition will be held in Chicago. Please visit us at Booth 2435 at McCormick Place on October 18-20. We will be displaying four items at the show...

1. Hydrocarbon Resin - Yuen Liang (Taiwan)
2. Benzyl Alcohol - Bayer (Germany)
3. Epoxy Resin - Thai Epoxy (Thailand)
4. Titanium Dioxide - Lotus Brand (Japan)

### TRI Travels

The fierce travel schedule continues. We sent five people to the NPRA in San Antonio, TR went to Hawaii (tough but someone has to do it) for the

Regional NACD meeting, and Narady attended the NACD Operations Seminar in Dallas. TR also attended his first NACD board meeting as incumbent Region 1 President. Internationally, Rowland and TR went to Monaco (another rough one!) for the EPCA, and TR continued on to Kaohsiung, Taiwan for the 10th annual INDIS meeting where he was joined by Sam King.

### Special Events

We hosted our first annual TRI fishing trip in September. This was a landmark for us, and we were glad to be able to introduce four valued

Please see 'cover story' on page three

TR INTERNATIONAL IS A CHEMICAL DISTRIBUTOR AND INTERNATIONAL TRADING COMPANY.

We provide industry with cost-effective raw materials and solutions to sourcing difficulties. Through our extensive, well established international supply channels, and experienced logistics and warehouse staff, we meet our customers specific needs and delivery requirements anywhere in the world.



## Featured Employee

Richard McNamara joined TRI in May of 2000 as our Northeast Regional Sales Manager. Rich brings his many years of experience in the chemical industry to TRI. Rich Mac, as he is fondly nicknamed, was a purchasing manager for many years before moving into sales with a local Northeast distributor. We have already been very impressed with Rich Mac's work ethic and business acumen in his short time with us.

Rich has been married for 19 years to Debbi. They have four children. His oldest daughter, Lindsey, is 18 and beginning her freshman year at St. Joseph's University outside of Philadelphia. Casey (15), and Courtney (13), are still at home along with Richie, 10. Rich knew that he needed another man on his side after so many girls! Rich is a very talented basketball player and still insists on playing against the 'young kids'. The rumor is that Rich has also perfected the art of 'Customer Golf', seemingly to boost the confidence of his customers, as he has very little affinity for the game.

Rich has brought many new products to the TRI portfolio. We look forward to presenting these items to our overall customer base and are working TRI's regular items into Rich's book as well. TRI had always done some business in the Northeast, but with Rich covering the market extensively, we are seeing great things beginning to happen. If there are any products or new requirements that you may have, please do not hesitate to contact Rich directly. He will always be glad to help.

All of us at TRI are proud that Rich has joined our team and look forward to working with him for many years!

# PHOTO GALLERY



*Narady Chea, the Queen of Logistics*



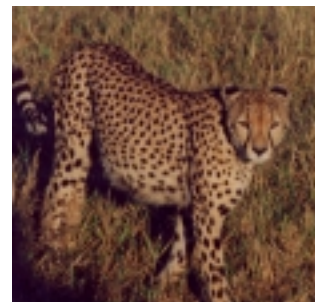
*Bareq Peshtaz, our new Operations Superstar*



*Rowland and his wife Laura on Safari (with a cheetah friend!)*



*Kara Smith, Executive Assistant*



*Brian Gorzoch, our Systems Administrator and Computer Guru*

*TRI's First Annual Fishing Trip. From left: Sam King, Tony Ridnell, Kevin Hickman, Harry Turpack, Ted Ward, Joe Riverman, and Rowland Morgan.*

## Importers Corner

### ***Ocean Shipment Rates Increase All Around!***

Continued strong imports from Asia have allowed Trans-Pacific shipping lines to demand peak-season surcharges for eastbound cargo. Traditionally July to November is an extremely busy time for inbound ocean freight with the influx of manufactured goods in the United States for the Christmas season.

At the beginning of this year, 13 major shipping lines announced plans for a \$400 GRI (General Rate Increase) and a \$300 peak-season surcharge that would take effect July 1. Last year, carriers were able to impose a \$900 GRI, and a \$300 peak-season surcharge that ran from June through November. But as several new lines entered the trade, and existing services added capacity, many carriers dropped plans for the surcharge. With double-digit growth this year in imports from Asia, it appears that much of the additional capacity would be absorbed during the 2000 summer-fall peak season.

Rate increases are not just stopping with eastbound cargo from Asia. After two years of low ocean rates in USA export lanes, carriers in the westbound Pacific and eastbound Atlantic are also raising their rates in response to strong market conditions. Freight rates in the Pacific declined by more than 40% during the Asian economic crisis that began in July 1997. But strong growth in exports to Asia is resulting in significant and rapid rate increases. We have seen carriers increase their rates \$400 to \$500 a container.

Strengthening economies in Europe and declining vessel capacity in the trade are contributing to an increase in freight rates. Vessel-sharing partners Hanjin Shipping Co., Cho Yang Line and Senator Line plan to pull out of the West Coast-to-Europe trade in mid-September. The handful of remaining carriers reacted to the decline in capacity by announcing a \$300 increase in the base tariff rate in westbound Trans-Atlantic lanes.



## Q4 – Market Trends

The summer has come to an end, and what a summer it has been. Price increases stuck, price increases didn't, volume down, volume up...it was a very interesting time. June was a very strong month, July wasn't, and August held it's own. We are very pleased that fall is coming and business can get back to normal (whatever that is).

**Propylene Glycol** took another price increase in Q3 for the sixth consecutive quarter. The increase held for the most part across the country. Some areas only saw a 2 cent increase, while others saw four cents. As we move towards the fourth quarter, price seems to be softening slightly. Imported material is less prevalent in the marketplace with the Asian economy picking up. One Singapore plant is still bringing material in, but they are a limited player in the distribution market. We anticipate the price to come down to 1-2 cents over Q2 pricing, but should have confirmation October 1. Please call us to finalize your price.

**Glycerine** was prepared for a big fourth quarter slide in price, but Dow's production problems look to hold the market up in the near future. While prices are slowly coming down from the \$0.80's, they seem to have stopped short of the \$0.70/lb price threshold. There were a lot of kosher drums in the U.S. in August, but inventories have been depleted since then. Until Dow can solve their production problems, material will be in tighter demand Q4 than previously planned.

Imported materials are still very strong, as the U.S. dollar is remaining at high levels. Prices are moving up on many imported items, such as Fumaric Acid, Maleic Anhydride, Benzyl Alcohol & Hydrocarbon Resins. This is mainly due to two factors: increased raw material costs because of energy and crude oil costs, and rising international freight expenses as the Christmas Season gets into full swing.

TRI is seeing greater demand for the Thai Epoxy Resins. Epichlorohydrin is still in tight demand throughout the world and has caused pricing to increase. Shell and Dow continue to raise prices and other importers are having a hard time keeping up with demand. Please contact us concerning these product lines.

We look for Q4 to be strong, as supply and demand seem to be in balance. Pricing may soften as we get to year's end, but any production problems could begin tightening up the market very quickly.

A very special thank you goes out from all of us at TRI to Jennifer Place, who has been an outstanding asset to our company. We wish her all the best in her future endeavors.

'cover' continued from page one

customers and suppliers to northern British Columbia for four days of relaxation, bonding, and maybe a little business. We're looking forward to the 2nd annual outing, and already have had some inquiries on the details! In addition, TRI recently hosted a day at Emerald Downs Racetrack for several customers, suppliers, and the entire team here in Seattle (see photo on cover). We all had a great evening, and were honored to have a race named after TRI. (*Editor's note: TR may have had the most enjoyable day, capturing the Daily Double and several Exactas on his way to a nice haul...if only the chemical business were so easy.*)

To celebrate our second full anniversary in our wonderful office space, we carried on the company tradition of hosting everyone at Seattle's gala Black and White Ball at the Seattle Art Museum (just a block away from our office downtown).

We were honored to be named for the second straight year to the CPI Magazine Top 100 Chemical Distributor's list. We rose to number 79 for 1999. However, there was a little mistake in the issue; sometimes we may wish we had 8 trucks and thousands of square feet of warehouse space, but unfortunately these numbers were in error.

We are also pleased to welcome three new employees to TRI. Lynne Cantrell has joined us in Houston, Bareq Peshtaz is honing his skills in the Operations department in Seattle, and we welcome Narady Chea back to the team. Please see inside for more on our new additions.

Thank you again for enjoying our 5th issue of TradeTalk. We're continuing to grow, and we appreciate all the business from our customers and the support from our suppliers. We would like to thank everyone who has contributed to our success and growth. Remember to visit us at the International Coatings Exposition, booth #2435, October 18-20 at McCormick Place in Chicago.

## TRI Launches New Website

As promised, [www.tritrading.com](http://www.tritrading.com) will soon have a new look. We are updating our website dramatically, and welcome everyone to take a look and share their thoughts.

The future of chemical trading will undoubtedly involve e-commerce. While we are not trying to be on the leading edge (sometimes known as the 'bleeding edge') of the internet business, we have developed a site where customers will soon be able to view various reports pertaining to their business. These include current order status, pending orders, price lists, inventory, order history, and on-line order placement. Copies of Certificates of Analysis for purchased lot numbers, Material Safety Data Sheets, and Specification Sheets will also be available on the site. We believe that making these documents easily accessible works to everyone's advantage.

Thank you to Brian Gorzoch for spearheading this massive project for us.

## TRI welcomes new team members

We have added four people since the last issue. **Lynne Cantrell** has joined Paul in our Houston office as Southwest Operations Manager. We had the pleasure of hosting Lynne in Seattle in August. She was such a hit with everyone that we almost called Paul to advise him we might keep her in Seattle! She is a great addition to TRI, and we welcome her.

**Bareq Peshtaz** has joined us in Seattle as part of our growing operations department. Bareq adds yet more international flavor to our team, his Afghanistani background blending in well with our resident Kiwi, Filipino, Honduran, Welshman, and Cambodian. **Cathy Satterwhite** brings her expertise to our accounting department. Cathy and Bareq have already proven to be great assets to a very busy support team. Thanks to all our customers for keeping them so busy!

The fourth addition is special for us. **Narady Chea** returns to the company after a year and a half of travelling and working in another international trade firm specializing in fresh fruits and produce. Narady was the 5th employee at TRI, first starting in 1996. Narady helped to develop a level of service for us in the logistics arena that we are very proud of. We all welcome Narady back, and appreciate her expertise.





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## *Featured Product*

# Hydrocarbon Resin from Yuen Liang Taiwan

TRInternational is proud to be the exclusive US distributor for Yuen Liang Hydrocarbon Resins. Yuen Liang's tradename is "PETRORESINS".

PETRORESIN is a synthetic hydrocarbon resin made by polymerizing unsaturated monomers that are produced from petroleum naphtha streams. They are produced by a special copolymerization method developed by Yueng Liang Industrial.

PETRORESIN is very stable and economical. It is compatible with many other resins, rosins, glues, waxes, varnishes, and rubber compounds. These resins are based on aromatic 8 and 9 Carbon raw materials.

The complete line has softening point ranges of 80F to 150F and color ranges from 1-18 Gardner depending on the performance range needed. We can offer product specially produced for a customer's specific requirements.

### Resin Characteristics

1. Resistant to chemical reagents such as alkalis, dilute acids, and seawater
2. Compatible with a wide variety of synthetic and natural systems
3. Resistant to alcohols
4. Neutral and nontoxic
5. Good electrical and insulating properties

### Resin Applications

1. Paints, Varnishes, and Printing Inks
2. Papermaking for waterproofing, stiffening, and coating.
3. Plastic, rubber, and floor tile
4. Hot Melt adhesive
5. Traffic paint and waterproofing
6. Water repellent
7. Electrical insulator
8. Textile finishing



Please do not hesitate to call your TRI representative for samples or additional information.

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