Globalisation, Raw Materials, Innovation Through Sustainability:

Afera's 53rd Annual Conference in Stockholm

Hosted by the 'Northern Europe' Region of Afera's Membership represented by Steering Committee Member Mike Ayres, this year's Conference took place in the beautiful Scandinavian hub of Stockholm, bringing together the self adhesive tape industry's creative minds and decision-makers for an annual industry meeting.

Combined with the customary Conference Programme of two days of lectures and activities were the biyearly Committee Meetings and the second Global Tape Forum event incorporating the Global Test Methods Committee Meeting, at which were participants from around the world (see article "Afera's Top Two Strategies Realised" on pages 10-11) .

Hot Topics

The buzzwords/-phrases of the event: 'Globalisation', as shown in the establishment of the Global Tape Forum and the organisation of the Europe-India Conference in Mumbai. 'The raw materials situation'—the shortages of certain chemicals as explained by speaker Tom Brewer and evident in conversations outside the conference rooms. And finally, 'innovation through sustainability', as covered by Paul de Ruijter ("Creating a Bigger Pie") and Dr. Louis Jetten ("Cradle to Cradle®") in their presentations.

Overview

Hosted at the Sheraton Stockholm Hotel from 6-9 October, 2010's Conference had a strong showing of attendees, building on 2009's numbers: 113 delegates and 25 partners from 13 European countries plus the U.S., Canada, Turkey, Japan, China and Taiwan.

The Annual Conference's 4-day Working Programme focussed on the collaboration of Afera's Members, its three Committees and the Global Tape Forum participants and included 8 lectures covering the latest trends in the tape industry. Together with an inspiring Social Programme, 5-star accommodation and the backdrop of 'the Venice of the North', the 53rd Annual Conference was once again deemed a success.

Feedback: Networking & 'Future' Are #1

'Adequate time for networking' and 'hotel facilities and service' were the points which received the highest scores in the participant survey conducted at the conclusion of the Conference. Feedback was very positive across the board, including a resounding 'YES' to the question, 'Did this Conference meet your expectations?'

Although all of the presentations received consistently favourable marks this year, the highest-rated paper was one which focussed on out-of-the-box-level industry innovation called "Future Possibilities and Possible Futures" by Magnus Lindkvist of Pattern Recognition (S). This was closely followed by "The New World of Chemical Raw Materials" by Tom Brewer of the Hydrocarbon Resin Service, DeWitt & Company, Inc. (USA), and "Sustainability: A New Recipe to Create a Bigger Pie" by Ir. Paul de Ruijter of De Ruijter Strategy (NL).

Location & Activities

The setting of the Conference, the Sheraton Stockholm Hotel, provided modern, upscale meeting and conference rooms, great networking areas in the business foyer, lobby bar and restaurant, and comfortable room accommodation. Its location right on the waterfront of the business district, within easy walking distance of the best shopping streets and cultural attractions of Stockholm, made it easy to get in some extra networking and enjoy a well-rounded city trip. Lake Mälaren, the city hall and the old town were easily accessible and viewable from many of the guests' rooms.

Following Wednesday evening's traditional welcome cocktails, Thursday's partner tour programme included a walking tour of the historic old island of Gamla Stan with a visit to the Nobel Museum. In the afternoon, both delegates and partners were taken on a private, sightseeing boat tour of the waters of Lake Mälaren and the Baltic Sea, passing under 15 bridges and through two lochs, ending at the Vasa Museum, where participants enjoyed a private visit followed by cocktails and a candlelit dinner.

Friday's partner tour programme included visits to the famous design shop Svenskt Tenn and the Östermalmshallen food market. The closing dinner was a causal affair hosted at the Atrium of the National Museum, an excellent restaurant situated in central Stockholm in one of Sweden's most beautiful museums.

Thursday's Programme

Filippo Antonelli's Outlook on the Tape Industry

Afera President Filippo Antonelli opened 2010's Annual Conference by addressing the global economic crisis that has affected the industry since mid-2008. Compared to the situation at the same time a year ago, Mr. Antonelli feels that there is general improvement in the economy worldwide, although major industry players remain cautious about sharing positive information. A few 'experts' are taking the liberty of forecasting medium-term market conditions, something which is not entirely helpful.

What is clear after the recession of the end of 2008 and 2009 is that the world has become increasingly global and markets more interdependent. That's why clear, transparent communication between groups of similar companies and industries can contribute to a broader, more positive outlook.

This year, for the second time, and for the first time in Europe, the world's five most important tape industry associations have come together to forge a common understanding, to move in a similar direction in terms of policies and activities, and to harmonise and adopt global test methods. Taking these steps is not easy—many challenges lay before us—but we must appreciate the efforts that the association leaders are making in this area in every part of the world. We have seen broad participation from Asian companies, and our discussions have been consistently positive.

Together we are improving the global tape business by trying to increase the size of 'the pie', our overriding priority. In this context, Mr. Antonelli mentioned Afera's launching of the Europe-India Self Adhesive Tape Conference in November to explore the possibilities for uniting with the markets of the Middle East and India. Forging ties with a new region is challenging, but we need to think big if we want to become a driver for the global tape world. Mr. Antonelli is positive that whatever the outcome of the introductory event, attempting to organise a new region is a logical step, one which is in line with Afera's strategies.

Before closing his speech and opening the Conference, Mr. Antonelli stated that he wanted to touch on the general situation related to tape production in the industry. For several reasons of which everyone was aware, 2010 was very tough for tape producers, particularly due to the raw materials shortage and price fluctuations which sometimes impacted several, if not all, of the major materials used for our production. Sometimes there was significant friction between raw material suppliers and tape producers.

We are an industry, he said, and as President of this Association, he wanted to take the liberty of suggesting to everyone here to work together as an industry. Things can change, as we have seen several times in the past, and situations can easily swing from one extreme to the other. Again, we are an association and must be in a position to work together to increase 'the pie' and not to try to speculate for an individual's short-term objectives.

Could Scandinavia Be a Match for Your Business?

Ms. Anne Have Kjærholm of Copenhagen Capacity (DK) delivered the first lecture of the Conference, promoting the advantages of locating a business in Scandinavia, 'where business is hot and life is cool'. Scandinavia enjoyed a growth rate from 1998-2008 of 16%, and still enjoys growth even in this era of recession. Confirmed by figures released by the World Bank, Scandinavia has recovered from the latest recession much more quickly than other regions of the world.

The greatest population centres are Stockholm, Copenhagen, Helsinki and Oslo, with most people located in the southern half of all the countries. In terms of business concentration in Scandinavia, the very integrated, cross-border Øresund Region, centred on Copenhagen and southern Sweden, is particularly attractive, with almost 25,000 enterprises with more than five employees and over 1,200 with more than 100.

Scandinavia is a dynamic business hub for foreign direct investment and a leader in global growth sectors. Medicon Valley represents the third largest life science cluster in Europe (including Novo Nordisk, Lundbeck, Leo and AstraZeneca) with $50 billion in revenue in Denmark. The cluster includes 200 medtech companies with R&D and/or production, 140 biotech companies with R&D, 25 major pharmaceutical companies with R&D and/or production, more than 100 pharmaceutical and 170 medtech affiliate companies, and more than 50 contract research organisations and contract manufacturing organisations.

Also included are 41,000 life science employees in the private sector, 12 universities, 150,000 students, 10,000 scientists, 6 science parks and 32 hospitals (11 of them university hospitals). For tesa and other companies which produce tapes for the life science industry, there is huge business potential here.

Industries at work in Scandinavia include medical technology, especially hearing aids, and green industries, including wind energy. Scandinavia hosts the leaders in wind, Vestas, Suzlon and Siemens, bringing in $10 million in revenue. The business potential is here—brands such as Lego, IKEA, Volvo, ABB, Maersk Line, Tetra Pak, Nokia, Carlsberg, Sony Ericsson, Bang & Olufsen and Scania are all Scandinavian-based. Ms. Kjærholm mentioned that it is very easy to navigate, contact and meet with Scandinavian companies in order to initiate and conduct projects and other forms of co-operation.

Scandinavia has a relatively fluid hire/fire system, with Denmark ranked #1 in ease in the world. Denmark was rated #1 in labour flexibility in 2008. This means, for example, if a company sets up operations in the country, it can close up shop very easily if it decides to leave. Scandinavians, both men and women, regularly work shorter days (8.00-17.00), but they are known for being highly productive during work hours.

How easy is it to set up business in Scandinavia? Is there a lot of bureaucracy? No, Scandinavians are known for their open business environments. Denmark and Sweden rank in the top 4 countries in the world in terms of efficiency of SMEs, and Denmark, Sweden and Finland rank in the top 6 in ease of creation of firms. Denmark, Sweden and Norway also rank at the top for loyalty and worker motivation. Especially in Sweden and Denmark, intellectual property rights are easy to obtain.

Further inquiries on conducting business in Scandinavia and Copenhagen Capacity's services, including market information and analysis regarding setting up in Scandinavia, access to an extensive network of consultants, authorities and businesses, unbiased and unique cost calculation and location tools, knowledge sharing and practical assistance during the entire investment process, can be directed to Anne Have Kjærholm, Investor Development Director, ahk@copcap.com.

The Unsteady State of Chemical Raw Material Supply

Next, Tom Brewer, Vice President of Hydrocarbon Resins and Specialty Polymers, DeWitt & Company, Inc. (USA), presented a very popular presentation on the unsteady state of chemical raw materials. According to Mr. Brewer, the chemical raw material world is going through the biggest dynamic shift in the history of the global business. This change will affect every region of the world, some for better and some for worse. Europe is one region that will be negatively impacted.

Historically, before 2007, companies were concerned with changes which might affect them one step up the supply chain. Now tape and label producers must track four steps up the supply chain, where most developments are occurring, and most have to do with ethylene production. If you follow this topic, you will know the basic status of raw materials supply.

The first impact is a lighter Western world feed slate to produce ethylene. What does this mean for your company? A lighter slate reduces the supply of monomers used to produce key polymers used in the production of pressure sensitive adhesives for tapes and labels.

European chemical raw material supply suffers by a lighter ethylene feed slate in North America and Europe, as North America has historically exported to Europe a considerable quantity of monomers and polymers for this industry. According to Mr. Brewer, more supply issues will emerge caused by upstream changes.

The North American ethylene slate has gone lighter by 50%, which translates to approximately 50% less monomers and polymer available. Of course, exports to Europe tend to suffer more than domestic sales. Europe has seen a smaller increase in lighter ethylene feeds; nonetheless, it has had a 10-20% reduction in supply of key monomers for this industry. In addition, the only merchant facility that purified these three key monomers was closed in 2009.

Since the global recession hit in 2009, most tape companies have been focussed on survival and cutting costs, so the majority of the players have been too busy trying to stay afloat to focus properly on the emerging supply situation.

The European response to this decrease in supply was to increase significantly imports of monomers and polymers. This has forced buyers to reach farther and buy from sources that are farther away, higher priced and/or of lower quality. Taking all these actions to secure chemical raw material supplies have come at a higher cost.

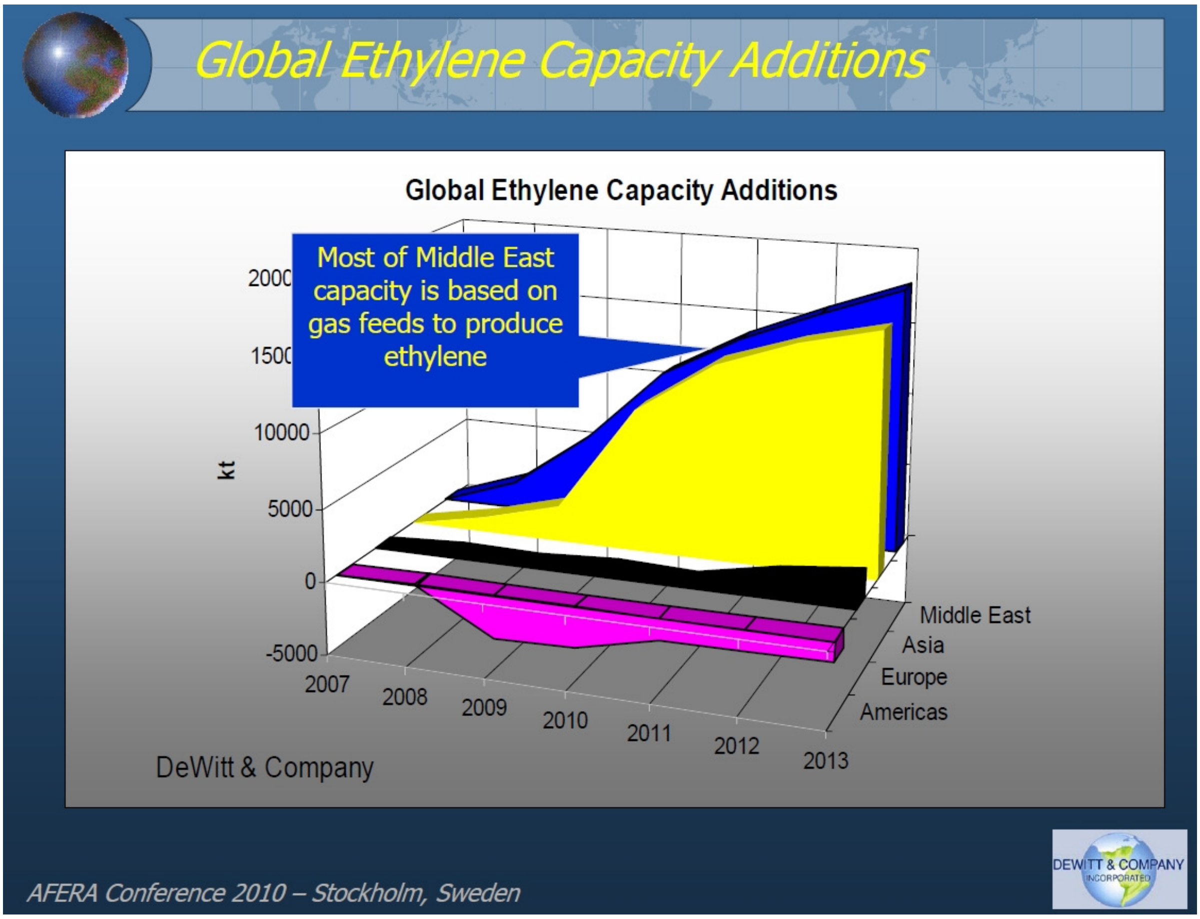
The second impact is caused by a substantial increase in ethylene capacity outside of Europe. The two regions with a substantial increase in ethylene capacity are the Middle East and Asia. The ME capacity is based on lower cost, advantaged ethylene capacity: they have spare gas, and their gas is cheap.

The Asian ethylene capacity is to meet their significant demand growth. Thus ME exports will not go to a slowing China but more to other regions which are not producing enough capacity for themselves. If these countries do not import ethylene, they are not going to have enough as their domestic supply is not adequate. And if you are more reliant on imports, you must be the highest-priced region to attract them.

The new capacity in the ME will be based on advantaged light feed, which does not produce monomers and polymers of interest but a significant quantity of advantaged ethylene/polyethylene. Advantaged means lower cost than most older, smaller ethylene units in the Western world. It is therefore expected that more polyethylene will be imported into the Western world, thus reducing domestic production. This will further reduce domestic monomer and polymer supply important to tape and label production.

Significant new Asian ethylene capacity will be feeding heavier feed that will produce an excess quantity of monomers for this industry. US production of liquids is down 50%, and the production curve is unlikely to change. European domestic supply will remain constant at best. So longer term, the Western world will be more dependent on Asia for monomer and polymer supply.

Mr. Brewer produces the monthly *Hydrocarbon and Rosin Resin Newsletter* and can be reached via tbrewer@dewittworld.com with any queries on chemical raw materials supply.



Increasing the Pie for the European Self-Adhesive Tape Industry

After a midmorning break, the third lecture of the day, “Increasing the Pie”, was delivered by Michael Punter of Parafix Holdings Ltd. (UK), who outlined real competition and market growth opportunities lying in alternative fixings from the point of view of the converter.

As a Member of the Afera SDC Group, Mr. Punter has suggested that more be attempted in the fields of encouraging PSA tape awareness and exploiting Afera’s recent Meijer + Voermans market study and methodology tool. Read more about Mr. Punter’s recent experience out in the field and his conclusions in “Increasing the Pie through Use of the M + V Tool” on page 17.

Cradle to Cradle® for Polymers

Completing the business portion of the day, Dr. Louis Jetten of the Dutch Polymer Institute (NL) presented an interesting paper on “Cradle to Cradle® for Polymers: Implementation Experience”. The Dutch Polymer Institute (DPI) was established in 1997 as a public-private partnership to perform pre-competitive research into polymers and their application, linking scientific knowledge to the industrial need for innovation.

Dr. Jetten discussed the modern company’s target position on the sustainability index, specifically with regard to cradle-to-grave (waste reduction, reuse/recycling/energy recovery, life cycle analysis), carbon management and Cradle to Cradle® (C2C) methods. The latter method was first introduced in Cradle to Cradle: Remaking the Way We Make Things, a 2002 book by German chemist Michael Braungart and US architect William McDonough, a manifesto calling for the transformation of human industry through ecologically-intelligent design.

The C2C method of production is in direct contrast to the cradle-to-grave model in which material flows are formed without any conscious consideration of protecting resources. Rather than attempt to reduce the linear material flows and present-day methods of production, the C2C design concept envisages their redesign into circular nutrient cycles (biological and technical) in which value, once created, remains of worth to both man and nature.

The C2C design concept is founded upon three fundamental principles: waste equals food; use current solar income; and celebrate diversity. Products that use materials that are environmentally secure, healthy and recyclable are awarded the C2C certificate, which provides companies with the opportunity of illustrating the successes and progress their products have achieved. From a consumer perspective, products can be sought out on the basis of having satisfied this further demand relating to quality.

What must you do in Europe to obtain C2C certification? Follow 15 steps, one of them involvement with the Environmental Protection and Encouragement Agency (EPEA), founded and owned by Michael Braungart and located in Hamburg. The EPEA compiles a summary and suggests the level of certification. The MBDC audits the certification process, and final certification is fixed in an agreement between the MBDC and the EPEA.

Dr. Jetten presented a list of 18 certified polymers of DAK America, LLC, DSM Engineering Plastics, Eastman Chemical Company and Sabic Plastics.

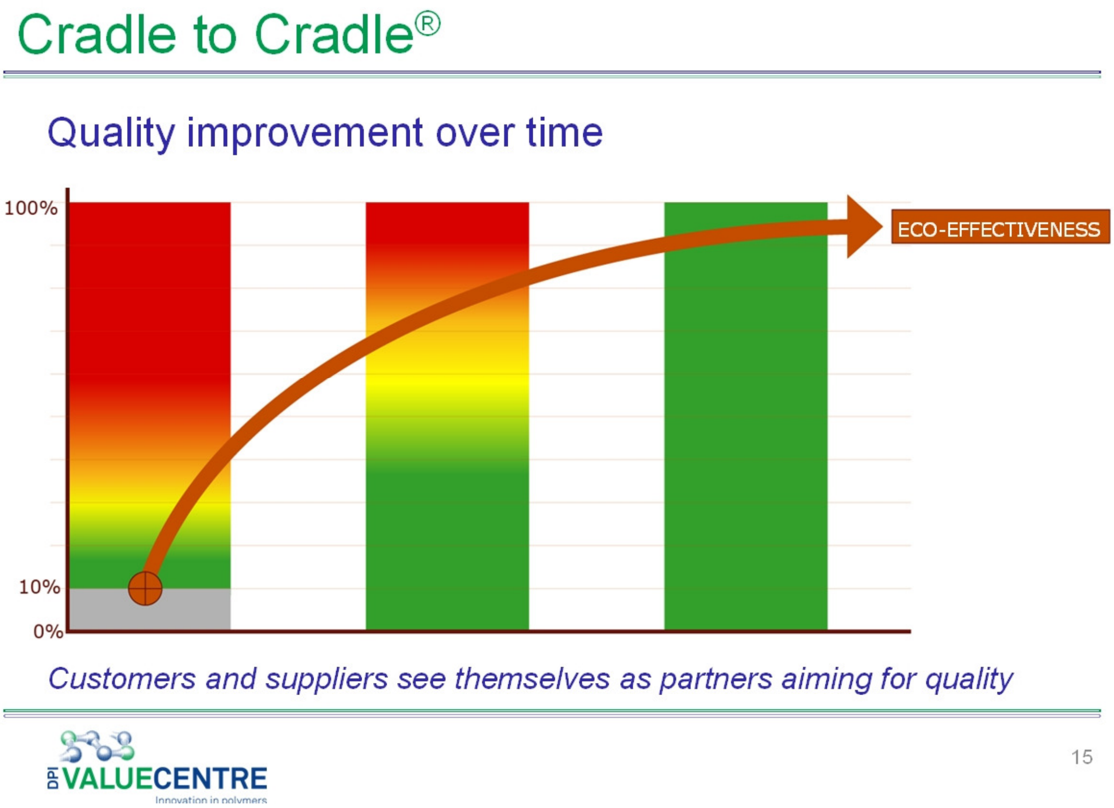
The C2C implementation project's goal is to identify exemplary ingredients or materials that meet C2C criteria for being on a 'preferred list for defined C2C cycles' according to the defined functional and environmental pathways they are designed for. The project phases include selection of substances (RPET, bio-based polymer, selection by polymer producer, selection by end-user), data collection, data analysis (ABC-X method), data gaps (acquiring extra information), and preferred list selection (template for selection of other ingredients/materials).

The Project's intended results are an exemplary assessment process of typical ingredients and materials, a basis for development of an extensive materials list mentioned above, and insight into typical opportunities and limits of the assessment and selection process.

So far in the Project, companies in the DPI VC network have been approached and have agreed to co-operate in substance selection. Data collection and analysis is underway, but SMEs have limited resources. Supplier information is required, but discussions are taking place regarding confidentiality problems and non-acceptance of standard NDA. SMEs are willing to supply what is available in terms of process information on plastics processing. The project is behind schedule according to its original planning.

C2C certification is one way to be sustainable. Its key feature is eco-effectiveness in which only products which have a positive effect are used. PVC, although under discussion, is currently excluded. Products containing chlorine are accepted at a very low level. C2C indicates a company-wide approach and co-operation in the products chain.

Queries about Cradle to Cradle® can be directed to Dr. Louis Jetten via l.jetten@dpivaluecentre.nl.



Friday's Programme

Proposed Joint Research Initiative for the Tape Industry

The first item on Friday morning's agenda: Ir. Paul de Ruijter of De Ruijter Strategy, author of the publication *Scenarios and Strategies for Associations* and popular past Afera Conference speaker, delivered a lecture entitled "Sustainability: A New Recipe to Create a Bigger Pie" on his idea for a joint research initiative within the self-adhesive tape industry.

Only a few days before, the public had learned the news that ordinary sticky tape had played a role in the breakthrough that yielded graphene, a discovery which led to the awarding of the Nobel Prize for Physics to Andre Geim and Konstantin Novoselov from Manchester University, UK. It is this type of creative, out-of-the-box thinking which leads to the forging of new markets for a technology such as the PSA.

Mr. De Ruijter emphasised that if we only compete on price by being lean in order to get 'a bigger piece of the pie', the pie as a whole will decrease. The tape industry's goal: to protect and increase our piece of the 'joining method pie'. As Greg Robinson of 3M has said, the industry's goal is to get people to 'think tapes'. Afera aims to create awareness of tapes by producing studies and advertising them to create awareness. The industry needs to grow its piece of the pie and open it up to everyone, members and non-members alike. Afera strives to make information available to anyone interested and communicates it to all relevant parties.

What the tape industry fears is a leaner pie in self-adhesive tape. This could become the risk with continuous price competition, investment in more efficient equipment and cost cutting, no time and margin for innovation and differentiation, overcapacity and no consolidation, client search for the lowest-priced supplier in the world, the transparency brought about by the internet, and the decrease in friction and increase in competition caused by homogenous technical standards.

The goal of creating a bigger pie for tape will come about with differentiation of products and services, investment in flexibility, co-operation regarding product-, market- and process innovation, active consolidation and reduction of overcapacity, and reduction of transaction costs and creation of a wide variety of unique constellations through the internet.

Mr. De Ruijter says the tape industry's first action should be developing new markets through 1) collaborating to research opportunities in new geographic areas (Eastern Europe, Russia, Asia and Africa), and 2) collaborating to create awareness and articulate demand in specific market segments (automotive, pharmaceutical, etc.). The second action would entail changing companies' perception of market structure from 'value chain' to 'value constellation'.

The suggested third action has to do with joining forces to create open innovation in the industry. Collaboratively, expenses and risks can be shared and partners and/or additional governmental funding are easier to attract. For many companies, research for innovation is too expensive or risky. Afera would move from a 'one size fits all' organisation to a 'network of networks', becoming a platform and meeting place, facilitating collaboration, allowing internal competition and organising co-operation in research.

An Afera Joint Research Initiative would work, because smaller companies do not have the resources to invest individually in large-scale research, while larger companies would perform research more efficiently through collaboration. Afera's industry studies would be seen as more objective. By setting up an Afera Open Innovation Lab, companies would work collectively on items affecting the entire industry. More funds would be made available and the impact of any developments much greater. The entire tape industry would benefit!

An Afera Joint Research Initiative would perform research in favour of the industry, such as 'Which current joining methods do not compete with self-adhesive tape when it comes to sustainability?' In this context, Mr. De Ruijter explained the current transformation to a Cradle to Cradle® economy. Sustainability is *the* economic driver of the future. As climate change and emissions force us to reduce our carbon footprint, and waste and resource depletion force us to search out recyclability, these and other issues of sustainability will make a huge impact on and create opportunities for the tape industry. Can our solutions lower the carbon footprint of our clients and make their products better recyclable?

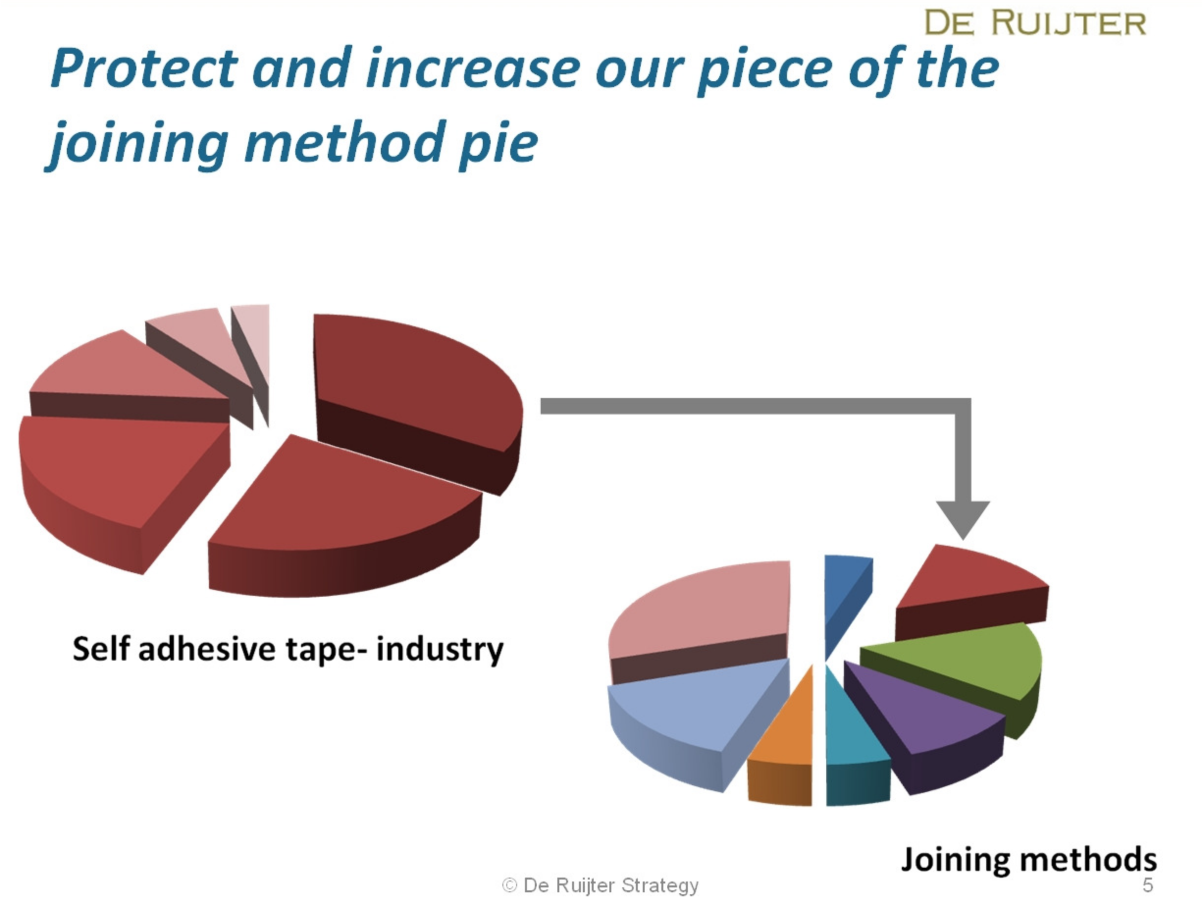
Mr. De Ruijter encouraged the audience to think proactively about discontinuities, such as seemingly stifling legislation and dead-end products such as fossil fuel cars and plastic bags. The transition opportunities attached to new legislative environments and next-generation products are endless, and there are winners and losers in the process. Tape industry players need to know first!

The knowledge infrastructure of the tape industry is currently thin and fragmented, consisting of a few centres of excellence in Germany. Mr. De Ruijter asked: Could we join our research efforts to generate objective generic knowledge? To give an impulse to the positioning of adhesive tapes as the preferred joining method in various sectors? To improve the quality of research and consequently the education infrastructure of our sector? Both EWF, the European Federation for Welding, Joining and Cutting, and INTERGRAF, the International Confederation for Printing and Allied Industries, have recently launched similar initiatives.

Mr. De Ruijter suggested that to launch an Afera Joint Research Initiative in 2011, the Association must embark on a process of 1) composing knowledge and research, and setting an agenda, 2) mobilising resources: creating a budget and recruiting people, 3) co-ordinating and organising, 4) communicating and sharing results, and 5) evaluating the success of the project.

The Joint Research Initiative would unite the greater tape industry by bringing together Afera, the PSA research infrastructure, sector/industry organisations which represent those who utilise PSAs, and the agencies of the European Union.

Mr. De Ruijter can be reached via paul@deruijter.net. Those interested in an Afera Joint Research Initiative should contact Afera Secretary-General Astrid Lejeune via mail@afera.com.



What the Tape Industry Needs to Know About REACH

Next, Jan Schüller of Eastman Chemicals (NL) delivered a lecture on REACH entitled “Tapes Are Articles Under REACH, So Are We Off the Hook?” Mr. Schüller began by noting that REACH was added to Afera’s strategic agenda very early on in the legislative process—much earlier than other associations decided to take action on it.

What does REACH currently mean for the speaker’s company, Eastman, which is 40 years old? It is registering 45 substances by the intended deadline, and Eastman is the lead registrant for 17 of these, arranging all the dossiers (500-700 pages each) and communications.

The responsibilities of Lead Registrant never end. These and all substances manufactured or imported into the EU in amounts over 1 ton per year must be registered. Exemptions include polymers (their monomers must be registered), non-isolated intermediates, radioactive substances, waste, articles (but not all) and food/feed plus additives. Eastman will end up spending about $20 million on the REACH effort from 2006-2018.

In order to ensure compliance with REACH, PSA manufacturers need to monitor supplier compliance. Tape producers also have to communicate to their suppliers how they use their products, because REACH is about registration of substances for particular use. The way a substance is used refers to a technical process during which exposure may occur. A few years ago it was established that PSAs are 'articles without intended release', a positive development for the tape industry.

Very important: The moment you get a new SDS (Safety Data Sheet) of a hazardous substance, this must be made into an eSDS (extended SDS), which will be extended by 30-50 pages, produced by industry because the EC does not have adequate software yet. These will have to be translated into all European Union languages.

Each company needs to set up an SDS assessment process per site in order to ensure that the measures covered in the SDS are applied. Compliance is mandatory within 12 months of receiving the RMMs (Risk Management Measures) from your supplier. Upon enforcement inspections, you must be able to demonstrate your compliance, i.e. offer full documentation.

As tapes are 'articles' under REACH, Mr. Schuller stated that you don't have a lot to be concerned with if you are purely a tape manufacturer. There are, however, two important factors which must be established: 1) That your product, if imported, has no intended release. Intended release from imported tapes (e.g. an odour-masking fragrance) requires registration. 2) That your product doesn't contain a SVHC (Substance of Very High Concern) of more than 0.1%. In the latter case, some phthalate-based Pz's may be used in tapes with PVC backing.

The Candidate List of about 30 current SVHCs is published on http://echa.europa.eu, the website of ECHA, the European Chemicals Agency. You must be aware of this list in order to ensure that your suppliers are apprised of its contents the moment it is modified, as they are legally bound to respond to consumer inquiries. If you produce a final article containing over 0.1% SVHCs, then you must notify the ECHA.

A SIN (Substitute It Now) list of 600 or 700 substances, which may eventually be listed as SVHCs, has been drawn up by ETUC (NGOs and trade unions) in order to exert pressure on large retailers not to buy products containing these substances. Market and consumer-driven restrictions such as these are springing up.

The extent to which you are impacted by REACH depends on your role: Are you an importer of jumbo rolls? Are you a tape manufacturer? You might also manufacture adhesives by simply buying the adhesive? Think carefully about your role and its consequences.

All tape manufacturers must think about SVHCs. Self-formulators must think about compliance issues: Their suppliers must be compliant—must have registered—but self-formulators must also make sure that they have implemented the RMMs which are prescribed in the eSDS's for SVHCs. Non-hazardous substances do not officially fall in the latter category, but Mr. Schüller says it would be good practice for the entire chemicals industry to provide eSDS's for all chemicals used. Importers of tape must beware of 'articles with intended release'.

Eastman doesn't see REACH as a threat but an opportunity, as it unveiled a 'beautiful' non-phthalate plasticiser for water-based adhesive applications in 2009, making it the largest non-phthalate plasticising company in the world. Mr. Schüller can be reached via jschuller@eastman.com.

Global Tape Forum and Expansion of Afera's Borders to the Middle East & India

Following a break, Afera SC Strategy Subgroup Members Mike Ayres of Advance Tapes (UK) and Laurent Derolez of Novacel (F) presented Afera's latest progress on two of its main strategies, bringing the world tape industries closer together by co-establishing the Global Tape Forum, and expanding the Association's borders to include the Middle East and India as a Subgroup of its Membership. This presentation is outlined in the article "Afera's Top Two Strategies Realised" on pages 10-11.

The Future of Innovation and Change

The last session of the Conference was a well-received, out-of-the-box presentation delivered by Magnus Lindkvist, a 'trend spotter extraordinaire' of Pattern Recognition (S). Mr. Lindkvist took the audience on a journey called "Future Possibilities and Possible Futures", into the thrilling opportunities of tomorrow's world.

With the aid of entertaining sound and graphics, Mr. Lindkvist discussed how we think about the future, and how we sometimes wrongly think about it, the spotting of trends relevant to the tape industry, and innovation and change, identifying the key concepts of 'IKEA-fication' and 'punk'.

In a world in which 'fast' is becoming one of the most frequently-used buzzwords, the long-term perspective often gets lost. There are, however, a number of reasons to study long-term 'gigatrends' and societal development, not least in order to predict where we might be heading. When asked about the future, most people tend to think of technology as the sole driver of future opportunities, yet there are a number of sociological, cultural and economic shifts in the world today that are bound to transform the world we live in into something completely different in the coming decades.

Around the year 2030, India will overtake China as the most populous nation on earth. The most common person on earth will be an elderly, Indian woman. Mr. Lindkvist explained that women will take over the majority of professional positions.

We already know that India will become the most prosperous economy on earth, surpassing those of China and the US. According to Hans Rosling, professor of global health at Sweden's Karolinska Institute and Gapminder, this will happen on the afternoon of 27 July 2048. If you start taking this information into account in your businesses, you will be able to say in the future, 'we were there already in 2010'. (See "Afera's Top Two Strategies Realised" on pages 10-11 for Afera's strategy to engage with India.)

As the East becomes more prosperous, its inhabitants will buy more 'stuff'. People will also reduce the size of their families and households. Thus the average consumer of the future will be a wealthy, elderly Indian woman living amongst stacks of boxes by herself. How do we get these parameters to work for us?

The tape industry needs to tap into societal trends, especially those of technology, resources and business. Not just micro-trends—quick-moving fads, especially in technology generations—but macro-trends—'business cycles'—and even gigatrends—long-term, slow-moving trends.

What are the megatrends shaping society over the next 10 or 20 years? IKEA and punk rock. One of IKEA's slogans is 'nothing is impossible'. They've made it cheaper to buy, cheaper to experiment and cheaper to fail. Because of this, more people are participating in the market. This concept has been termed 'IKEA-fication'.

‘Punk rockers’ exist in every industry. Business operations aren’t necessarily large, established companies; they are increasingly small garage start-ups of two and three people springing up, challenging the status quo, doing things perhaps a little bit cheaper, a little bit better-looking—sourcing from your suppliers and packaging a bit differently to suit a specific need or a one-week business model. They are driving change and innovation.

Innovators cause friction, want to break rules, to make things better, cheaper, better-looking. For those who would be attending Afera’s November event in India, Mr. Lindkvist reminded them that India is an especially mindset-challenging society.

Along these lines, knowledge doesn’t flow top-down anymore but bottom-up and from the side. There are web communities—websites, forums, etc.—made made up of people who share fanatical interests such as self-adhesive tape. These are your best customers. Find them, connect with them and ask them for advice. Very often these niche groups know more about the subject of PSAs than you do. They can communicate consumer demands and give you new ideas.

In an article of a year ago, *The Economist* said that people who have lived abroad for at least six months tend to be more creative. So having access to people who are living in another country is absolutely vital, because new ideas come from friction and diversity.

The future is becoming more dangerous and exciting, but a budget and a plan will only get you so far if you don’t imagine what unexpected things lie around the bend. If you don’t, you will fail. If you are not aware that you might be doing something wrong right now, you will be in trouble. The three words ‘I don’t know’ can be your best friend as a business developer. In the tape industry, not knowing is what drives us forward. What looked like a failure once, with a little tweaking, can become a runaway success.

Closing of the Annual Conference: Encouraging Member Participation

Incoming President Filippo Antonelli closed 2010’s Annual Conference first by commending the organisers and speakers for the high level of quality of lectures given throughout the two-day main event. He also pointed out that he had witnessed positive networking between and around the lectures and activities.

In short, the players along the value chain of the self-adhesive tape industry are continuing to discuss their business as are the international tape associations. Afera’s next event held the following month in India would illustrate yet another international step for Afera. Mr. Antonelli stated that he was pleased with the Association for pushing forward with its more outward-looking, global strategies.

The President appealed to all current Afera Members for their greater attention to the Association’s daily activities and issues in light of improving market conditions and global dialogue with companies and associations. Our Association is becoming more open, thus we must be more open to the Association in terms of the giving of our time, focus and input.

Mr. Antonelli concluded by thanking all those involved in the organisation of the Conference, from Steering Committee Member ‘Northern Europe’ regional host Mike Ayres and the Marketing Committee’s Conference Programme Committee to Afera’s extremely competent Secretariat managed by Lejeune Association Management.

Sponsors

Afera's 53rd Annual Conference once again provided a platform on which Members could conduct business-to-business marketing by sponsoring the event. Afera had the privilege of organising the event with the support of the following sponsors: Gold: The Dow Chemical Company, Eastman Chemical BV, ExxonMobil Chemical and Poly-Chem Aktiengesellschaft. Silver: Collano Adhesives AG. Bronze: Mondi Inncoat GmbH and Sekisui Alveo AG.

Slide Presentations & Additional Info.

The proceedings of the Conference lectures and a detailed event programme, as well as this article, can be found on www.afera.com.

Annual Conference 2011 in Berlin

Hosted by Afera's 'Central Europe' Region of Membership, Afera's 54th Annual Conference is set to take place at The Westin Grand Berlin in Germany from 5-8 October 2011.