

THE CHINESE ADHESIVES AND SEALANTS MARKET 2009

**© IAL CONSULTANTS
FEBRUARY 2009**

CP House, 97-107 Uxbridge Road, Ealing, London W5 5TL
Tel: +44 (0) 20 8832 7780 Fax: +44 (0) 20 8566 4931
Email: ial@brg.co.uk
Web site: www.ialconsultants.com

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form, or by any means, electronic, mechanical, photocopying, recording or otherwise without the prior permission of the copyright owner.

NOTE

The information given in this report has been compiled from published sources and interpreted from fieldwork based on informed opinions. Whilst every care has been taken in the preparation of the report, there may have been some errors in the information obtained. Although it is impossible to verify every single detail by cross checking, we believe the general picture provided is reasonably accurate and comprehensive.

Many IAL reports contain an overview of selected company financial information and capabilities based on published sources where available. Although the companies represented are believed to be the major suppliers the profiles are meant to be indicative rather than definitive.

It is fundamental to the philosophy of IAL Consultants to constantly seek to extend and improve our service to clients. In pursuit of these aims, we shall be pleased to consider all requests for regular or periodic updating of all or any part of the information contained in this report, or for extensions in coverage in terms of product areas, market sectors and/or geographic regions.

We are, of course, always happy to discuss with any subscriber the possibility of undertaking further work, whether arising out of this report or in different business areas.

MORE INFORMATION ON IAL CONSULTANTS

Should you require more information on either our published reports or our private client services, please contact us at the address given.

Full details on all IAL Consultants published studies (including full tables of contents and tables of tables) and ad-hoc research services can be found on our website :

www.ialconsultants.com

CONTENTS

1. INTRODUCTION.....	1
1.1 OBJECTIVE AND SCOPE	1
1.2 METHODOLOGY.....	3
2. EXECUTIVE SUMMARY.....	5
3. DEMOGRAPHIC, POLITICAL & MACROECONOMIC OVERVIEW	9
3.1 DEMOGRAPHICS	9
3.2 POLITICAL SITUATION.....	10
3.3 MACROECONOMIC OVERVIEW.....	11
4. RAW MATERIAL AVAILABILITY AND DEMAND	15
4.1 RAW MATERIAL DEMAND	15
4.2 RAW MATERIAL AVAILABILITY.....	15
4.2.1 Urea Formaldehyde (UF).....	15
4.2.2 Phenolic Formaldehyde	16
4.2.3 Melamine Formaldehyde	19
4.2.4 Polyvinyl Acetate (PVA).....	21
4.2.5 VAE	24
4.2.6 EVA	25
4.2.7 Acrylic Resins.....	27
4.2.8 Polyurethane	28
4.2.9 Epoxy Resins	29
4.2.10 Hot Melt Raw Materials.....	30
4.2.11 Petroleum Resin	31
5. MARKET REVIEW	33
5.1 CONSUMPTION	33
5.1.1 Total Consumption.....	33
5.1.2 Consumption Per Capita.....	33
5.2 TRADE	34
5.3 PRODUCTION.....	35
6. MARKET SEGMENTATION.....	39
6.1 MARKET BREAKDOWN BY GEOGRAPHICAL REGION.....	39
6.2 MARKET BREAKDOWN BY PRODUCT TYPE	41
6.2.1 Formaldehyde Adhesives	42
6.2.2 Acrylics	44
6.2.3 Polyvinyl Acetate Emulsion (PVA).....	45
6.2.4 Chloroprene	47
6.2.5 VAE	48
6.2.6 Polyurethanes.....	49
6.2.7 Epoxy Adhesives.....	50
6.2.8 Hot Melt Adhesives	51
6.2.9 Hot Melt Pressure Sensitive Adhesives	54
6.2.10 Silicones	55
6.2.11 Polysulphide.....	57
6.2.12 Cyanoacrylate Adhesives	58
6.2.13 Anaerobic Adhesives	59
6.2.14 Polyvinyl Butyral.....	61
6.2.15 PVC.....	61
6.2.16 Polyester Adhesives.....	62
6.2.17 Polyamide Adhesives.....	63

6.2.18	UV Adhesives	63
6.2.19	Styrene-butadiene-styrene (SBS) and Other Styrenic Rubbers	64
6.3	MARKET BREAKDOWN BY END-USE APPLICATION	65
6.3.1	Consumption by End-use Application	65
6.3.2	Woodworking and Furniture.....	65
6.3.3	Construction.....	69
6.3.4	Packaging & Labelling	73
6.3.5	Footwear and Leather.....	76
6.3.6	Transportation	80
6.3.7	Paper Processing and Book Binding.....	82
6.3.8	Electrical and Electronic	85
6.3.9	Consumer DIY.....	90
6.3.10	Textile Industry	92
7.	SUPPLY STRUCTURE.....	97
7.1	NUMBER OF ADHESIVES AND SEALANTS COMPANIES.....	97
7.2	LEADING ADHESIVES AND SEALANTS PRODUCERS.....	99
7.2.1	Identities of Leading Producers	99
7.2.2	Major Producers by End use Market	104
7.3	FOREIGN INVESTORS AND THEIR JOINT VENTURES	120
7.3.1	Raw Materials	120
7.3.2	Adhesives and Sealants	120
7.4	MERGERS AND ACQUISITIONS	122
8.	DISTRIBUTION CHANNELS	123
8.1	DIRECT SALES	123
8.2	INDIRECT SALES.....	123
8.3	RETAIL	124
8.4	WHOLESALE	126
8.5	E-COMMERCE	126
9.	LOCAL OPERATING FEATURES	127
9.1	TARIFFS & TAXES.....	127
9.2	INTELLECTUAL PROPERTY	127
9.3	TECHNOLOGY TRANSFER	128
9.3.1	Joint Ventures	128
9.3.2	Licensing	130
9.4	ENVIRONMENTAL REGULATIONS	131
9.5	STANDARDS.....	132
9.5.1	International Standards	132
9.5.2	Standards in China.....	133
10.	DIRECTORY OF ADHESIVES AND SEALANTS COMPANIES.....	135
11.	SOURCES OF INFORMATION.....	153
11.1	TRADE ASSOCIATIONS.....	153
11.2	STANDARDS ORGANISATIONS	154

TABLE OF TABLES

1. INTRODUCTION.....	1
1.1 OBJECTIVE AND SCOPE	1
1.2 METHODOLOGY.....	3
2. EXECUTIVE SUMMARY.....	5
Summary of the Chinese Adhesives and Sealants Industry, 2008 (Tonnes).....	5
Consumption of Adhesives and Sealants in China, 2004-2008 (Tonnes & % Growth Rate).....	5
Per Capital Consumption of Adhesives and Sealants in China, 2004-2008 (kg/head).....	6
Production of Adhesives and Sealants in China, 2004-2008 (Tonnes & % Growth Rate).....	6
Imports and Exports of Adhesives and Sealants in China, 2004-2007 (Tonnes).....	6
3. DEMOGRAPHIC, POLITICAL & MACROECONOMIC OVERVIEW	9
3.1 DEMOGRAPHICS	9
Population in China, 1995-2007 (Million).....	9
Household and Average Size of Household in China, 2003-2007 (Million & Head Per Household).....	10
3.2 POLITICAL SITUATION.....	10
3.3 MACROECONOMIC OVERVIEW.....	11
GDP, GDP Growth & GDP Per Capita in China, 1995-2007 (RMB & Growth Rate).....	12
GDP and GDP Per Capita by Region in China, 2007 (Million RMB & RMB Per Head).....	13
4. RAW MATERIAL AVAILABILITY AND DEMAND.....	15
4.1 RAW MATERIAL DEMAND	15
4.2 RAW MATERIAL AVAILABILITY.....	15
Major Urea Formaldehyde Manufacturers in China	16
Major Phenolic Formaldehyde Resin Manufacturers in China, 2007 (Tonnes).....	17
Production, Trade and Consumption of Phenolic Formaldehyde in China, 2000-2007	18
Consumption of Phenolic Formaldehyde by Application, 2007	18
Production, Trade and Consumption of Melamine Formaldehyde in China, 2000-2007.....	19
Consumption of Melamine Formaldehyde by Application, 2007.....	20
Major Melamine Formaldehyde Manufacturers in China, 2007 (Tonnes).....	21
Major PVA Manufacturers in China, 2007 (Tonnes).....	22
Production, Trade and Consumption of PVA in China, 2000-2007.....	22
Consumption of PVA by Application, 2007.....	23
Share of PVA by Application, 2000-2007 (%).....	23
Consumption of VAE by Application, 2007.....	24
Production, Trade and Consumption of VAE in China, 2004-2007	25
Major VAE Manufacturers in China, 2007 (Tonnes)	25
Production, Trade and Consumption of EVA in China, 2000-2007	26
Consumption of EVA by Application, 2007.....	26
Major EVA Manufacturers in China, 2008 (Tonnes)	27
Production, Trade and Consumption of Acrylic Acid in China, 2000-2007	27
Major Acrylic Acid Manufacturers in China, 2007 (Tonnes).....	28
Major Epoxy Resin Manufacturers in China, 2007 (Tonnes)	29
Production, Trade and Consumption of Phenolic Formaldehyde in China, 2000-2007	30
Consumption of Petroleum Resin by Application, 2007.....	31
Major Petroleum Resin Manufacturers in China, 2007 (Tonnes)	32
5. MARKET REVIEW	33
5.1 CONSUMPTION.....	33
Consumption of Adhesives and Sealants in China, 2004-2008 and Forecasts to 2013 (Tonnes & % Growth Rate).....	33
Per Capita Consumption of Adhesives and Sealants in China, 2004-2008 (kg/head).....	34
5.2 TRADE	34
Foreign Trade Data of Adhesives and Sealants in China, 2003-2007 (Tonnes & Million US\$).....	35
5.3 PRODUCTION.....	35
Production of Adhesives and Sealants in China, 2004-2008 (Tonnes & % Growth Rate).....	35
Production of Adhesives and Sealants by Type in China, 2008-2013 (Tonnes & % Growth Rate)	36

6.	MARKET SEGMENTATION.....	39
6.1	MARKET BREAKDOWN BY GEOGRAPHICAL REGION.....	39
	Consumption of Adhesives and Sealants by Region in China, 2008-2013 (Tonnes & % Growth Rate)	40
	Adhesives and Sealants Market in China by Region, 2008 (% Proportion).....	40
6.2	MARKET BREAKDOWN BY PRODUCT TYPE	41
	Consumption of Adhesives and Sealants by Type in China, 2008-2013 (Tonnes & % Growth Rate).....	41
	Consumption of Adhesives and Sealants by Type in China, 2008-2013 (% Proportion).....	42
	Consumption of Formaldehyde Adhesives in the Woodworking and Furniture Industry in China (Tonnes & % Growth Rate)	43
	Consumption of Acrylic Adhesives and Sealants in China, 2008-2013 (Tonnes & % Growth Rate).....	44
	Major Acrylic Adhesives Manufacturers in China	45
	Consumption of Polyvinyl Acetate Emulsion (PVA) in China, 2008-2013 (Tonnes & % Growth Rate).....	45
	Major PVA Adhesives Manufacturers in China	46
	Consumption of Chloroprene Adhesives in China, 2008-2013 (Tonnes & % Growth Rate).....	47
	Consumption of VAE Adhesives in China, 2008-2013 (Tonnes & % Growth Rate)	48
	Major VAE Adhesives Manufacturers in China	48
	Consumption of Polyurethane Adhesives and Sealants in China, 2008-2013 (Tonnes & % Growth Rate).....	49
	Consumption of Epoxy Adhesives and Sealants in China, 2008-2013 (Tonnes & % Growth Rate)	50
	Consumption of Hot Melt Adhesives in China, 2008-2013 (Tonnes & % Growth Rate).....	52
	Major Hot Melt Adhesives Manufacturers in China.....	54
	Consumption of Hot Melt PSA Adhesives in China, 2008-2013 (Tonnes & % Growth Rate).....	55
	Consumption of Silicone Sealants in China, 2008-2013 (Tonnes & % Growth Rate).....	56
	Major Silicone Sealant Manufacturers in China	56
	Consumption of Polysulphide Adhesives and Sealants in China, 2008-2013 (Tonnes & % Growth Rate).....	57
	Major Polysulphide Sealants Manufacturers in China.....	58
	Consumption of Cyanoacrylate Adhesives in China, 2008-2013 (Tonnes & % Growth Rate).....	58
	Major Cyanoacrylate Adhesives Manufacturers in China	59
	Consumption of Anaerobic Adhesives in China, 2008-2013 (Tonnes & % Growth Rate).....	60
	Major Anaerobic Adhesives Manufacturers in China.....	60
	Major Polyvinyl Butyral Adhesive manufacturers in China	61
	Major PVC Plastisol Manufacturers in China.....	62
	Major Polyester Adhesives Manufacturers in China.....	62
	Major Polyamide Adhesives Manufacturers in China	63
	Major UV Adhesive Manufacturers in China	63
	Major SBS, SIS and SEBS adhesives manufacturers in China	64
6.3	MARKET BREAKDOWN BY END-USE APPLICATION	65
	Consumption of Adhesives and Sealants by End-use Application in China, 2008-2013 (Tonnes & % Growth Rate)	65
	Production of Artificial Board in China, 1995-2007 (Million M3 & % Growth Rate).....	66
	Production of Furniture in China, 2000-2007 (Million Pieces)	67
	Production of Wood and Bamboo Flooring in China, 1999-2007 (Million M2)	67
	Consumption of Adhesives in Woodworking and Furniture in China, 2008-2013 (Tonnes & % Growth Rate)	68
	Construction Output by Sector in China, 2003-2007 (Million RMB).....	69
	Consumption of Construction Adhesives by Type, 2008-2013 (Tonnes & % Growth Rate)	70
	Double Glazing Production in China.....	72
	Output of the Packaging Industry in China, 2004-2007 (RMB Million)	73
	Production of Packaging Products in China, 2004-2007 (Million Tonnes)	74
	Consumption of Adhesives in Packaging and Labelling in China, 2008-2013 (Tonnes & % Growth Rate).....	74
	Production of Global Footwear, 2008 (Million Pairs & % proportion)	76
	Production of Footwear in China, 2004-2008 and Forecast to 2013 (Million Pairs & % Growth Rate).....	77
	Production of Footwear by Types in China, 2007 (Million Pairs & % Proportion).....	77
	Per Capita Consumption of Adhesives for Shoes in China (Gram/Pair).....	78
	Consumption of Adhesives in Footwear in China, 2008-2013 (Tonnes & % Growth Rate)	78
	Production of Vehicles in China, 2004-2007 (Units).....	80
	Production of Vehicles in China, 2008-2013 (Vehicles & % Growth Rate).....	80
	Consumption of Transportation Adhesives and Sealants by Type, 2008-2013 (Tonnes & % Growth Rate).....	81
	Per Capital Consumption of Transportation Adhesive and Sealants in China, (kg per vehicle)	81
	Production of Paper Processing and Paper Products in China, 2006-2007 (Tonnes & % Growth Rate)	83
	Publication of Books, Magazines, Newspaper, Textbooks and books for children in China, 2004-2007 (Million Copies)	83
	Publication of Books, Magazines, Newspaper, Textbooks and books for children in China, 2004-2007 (Million Sheets).....	84
	Consumption of Adhesives in Paper Processing and Book Binding in China, 2008-2013 (Tonnes & % Growth Rate)	85
	Production of Electrical Parts in China, 2004-2007 (Million Pieces & % Growth Rate)	86

Production of Electrical Parts in China, 2007	86
Production of Electrical Appliances in China (Million Units).....	87
Production of Personal Computers in China, 2004-2007 (Million Units & % Growth Rate).....	88
Consumption of Adhesives and Sealants in the Electrical and Electronic Industry in China, 2008-2013 (Tonnes & % Growth Rate).....	89
Consumption of Adhesives and Sealants in Consumer DIY, 2008-2013 (Tonnes & % Growth Rate).....	91
Production of Garments in China, 2004-2008 (Million Pieces).....	92
Actual production of Garments in China, 2004-2008 (Million Pieces)	92
Production of Non-woven Interlining in China, 2004-2012 (Tonnes)	93
Per Capita Consumption of Woven Linings and Non-woven Interlinings for Woven Garments (Metre/Piece).....	93
Consumption of Adhesives in Textile Applications by Product Type in China, 2008-2013 (Tonnes & % Growth Rate)	94
Per Capita Consumption of Adhesives for Woven Lining and Non-woven Interlinings for Garments (Gram/metre)	94
Per Capita Consumption of Adhesives for Garments (Gram/Price).....	95
7. SUPPLY STRUCTURE.....	97
7.1 NUMBER OF ADHESIVES AND SEALANTS COMPANIES.....	97
Number of Adhesives and Sealants Companies in China 2001-2008	97
Number of Adhesives and Sealants Companies by Region, 2008	98
7.2 LEADING ADHESIVES AND SEALANTS PRODUCERS.....	99
Leading Adhesives and Sealants Companies and Their Market Share in China, (RMB million & %).....	99
Production of Leading Adhesives and Sealants Companies in China, 2008 (Tonnes & m ²)	103
Major Manufacturers of Woodworking and Furniture Adhesives in China.....	105
Major Manufacturers of Construction and Building Material Adhesives in China.....	106
Major Manufacturers of Packaging and Labelling Adhesives in China.....	109
Major Manufacturers of Footwear and Leather Adhesives in China	111
Major Manufacturers of Transportation Adhesives and Sealants in China.....	112
Major Manufacturers of Paper Processing and Bookbinding Manufacturers in China	114
Major Electric and Electronic Adhesives and Sealants Companies in China	115
Major Manufacturers of Textile Adhesives in China.....	117
Manufacturers of Consumer DIY Adhesives in China	118
7.3 FOREIGN INVESTORS AND THEIR JOINT VENTURES	120
Foreign Investment for Raw Material of Adhesives and Sealants in China, 2004-2010.....	120
Foreign Investment for Adhesives and Sealants in China.....	121
7.4 MERGERS AND ACQUISITIONS	122
Adhesives and Sealants Mergers & Acquisitions in China.....	122
8. DISTRIBUTION CHANNELS.....	123
8.1 DIRECT SALES	123
8.2 INDIRECT SALES.....	123
8.3 RETAIL	124
8.4 WHOLESALE	126
8.5 E-COMMERCE.....	126
9. LOCAL OPERATING FEATURES	127
9.1 TARIFFS & TAXES.....	127
Custom Code and Import Tariff of Selected Adhesives and Sealants in China, (%)	127
9.2 INTELLECTUAL PROPERTY.....	127
Number of Registered Patents of the Adhesives and Sealants Industry in China, 2004-2007	128
9.3 TECHNOLOGY TRANSFER	128
9.4 ENVIRONMENTAL REGULATIONS	131
9.5 STANDARDS.....	132
10. DIRECTORY OF ADHESIVES AND SEALANTS COMPANIES.....	135
11. SOURCES OF INFORMATION.....	153
11.1 TRADE ASSOCIATIONS.....	153
11.2 STANDARDS ORGANISATIONS	154