

Vinmar to expand global reach

The \$4.1bn global distributor seeks to build on its geographic and product diversity with a local presence in key markets



JOSEPH CHANG NEW YORK

Vinmar International, a global chemical distribution company with around \$4.1bn in sales in 2015, is seeking to further expand its global reach and capabilities.

"We have worldwide infrastructure and continue to look for growth opportunities globally," said Devang Mehta, vice president, chemicals at Vinmar International, in an interview with ICIS.

"Vinmar will continue to emphasise organic growth. However, we will also pursue selective investments and acquisitions in both polymers and chemicals when we see the right business or cultural fit," he added.

In 2015, Vinmar made its first entry into Brazil, acquiring Apta Resinas, a distributor of engineering plastics that counts BASF, INEOS Styrolution, Radici Plastics and Lotte Advanced Materials among its supplier partners.

Apta distributes engineering plastics polycarbonate (PC), acrylonitrile butadiene styrene (ABS), polyacetal (POM), polybutylene terephthalate (PBT) and styrene butadiene copolymers (SBCs), as well as value-added polypropylene (PP), polyethylene (PE) and thermoplastic rubber.

"Apta was the right cultural fit with Vinmar in terms of reputation, entrepreneurial spirit and professionalism. We already have engineering plastics distribution in Mexico, and see this as a platform for growth," said Vishal Goradia, vice president of plastics at Vinmar International.

Vinmar, headquarter-



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VISHAL GORADIA

Vice president, plastics, Vinmar International

tered in Houston, Texas, US, has an extensive marketing and distribution portfolio of plastics and chemicals, including alcohols, aromatics, fibre intermediates, chlor-alkali, basic petrochemicals, solvents, plasticizers, oxo-alcohols and other intermediates.

However, its major strength is in ethylene and propylene derivatives, in terms of number of products in the portfolio, global reach, and sourcing and selling capabilities, noted Mehta.

US SHALE OPPORTUNITY

The US economy remains a beacon of stability and growth, with growing ethylene and derivatives capacities from shale gas providing export opportunities, the Vinmar executives said.

"New capacity additions in the US will certainly revive the importance of exports in the strategic plans of many producers," said Goradia.

"We are adding capacity to our sales, marketing, and logistics teams to prepare ourselves to effectively manage significant volume consistently and cost effectively," he added.

OPTIMISM ON CHINA

As a major player in Asia, Vinmar is optimistic on China's chemical market despite a slowing and transitioning economy.

"The growth rate in China might be slowing, but demand is growing at rates faster than in developed markets," said Goradia.

"Asia overall continues to be a growing market, in terms of GDP per capita, population and total demand. And we are well positioned to participate in sales and sourcing," he added.

In China, CTO/MTO (coal-to-olefins/methanol-to-olefins) projects have led to growing capacity of downstream PP homopolymer in particular. That could lead to opportunities for distribution within China, as well for exports, noted Goradia.

In the US and Europe, Vinmar has built a

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DEVANG MEHTA

Vice president, chemicals, Vinmar International

strong distribution presence in polymers and is working to build capacity in the chemicals business.

DIVERSITY AS STRENGTH

Vinmar sees its wide geographic and product diversity, along with financial capabilities and expertise across the supply chain by providing creative logistics solutions to manage costs and risks, as its major competitive advantage.

"Our geographic and product diversity increases our company's resilience through market cycles and supply/demand shifts. We operate responsibly in the global market through our culture of strict compliance and adherence to the principles of Responsible Care," said Mehta.

"We continue to add the best people in order to support our corporate culture and continued growth. Our assets are our people," he added.

Vinmar has grown from an operation started in a one-bedroom New York apartment in 1978, to a company with \$4.1bn in revenue in 2015. The company services customers in over 100 countries with its global infrastructure of 34 offices and 500 people.

Vinmar and Goradia Capital are part of the Goradia Group of companies. Goradia Capital invests in petrochemical production operations such as Lion Copolymer, Excel Polymers, Advanced Polypropylene and Ascend Performance Materials. Vinmar operates independently, at "arm's length", said Mehta.

Vinmar's core business philosophy is to create and deliver value to its suppliers and customers throughout the entire marketing, distribution and structured trading value chain, he noted. ■

SPECIAL REPORT

TOP 100 CHEMICAL DISTRIBUTORS



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1

BRENNTAG
2015 SALES: €10.3BN (\$11.18BN)

Mulheim an der Ruhr, Germany
WWW.BRENNTAG.COM

CEO: Steven Holland

Products: Full-line range of over 10,000 products; industrial chemicals; adhesives; paints; oil and gas chemicals; food ingredients; water treatment chemicals; personal care ingredients; pharmaceutical ingredients; cleaning chemicals; coatings and construction chemicals; animal nutrition products; pulp and paper chemicals

Services: Tailor-made distribution solutions; specific application technologies; technical support; just-in-time delivery; product mixing and blending; formulation; storage; repackaging; inventory management; drum return handling

Assets: 430 locations in 74 countries; workforce of 14,000

2

UNIVAR
2015 SALES: \$8.98BN

Downers Grove, Illinois, US
WWW.UNIVAR.COM

President and CEO: Stephen Newlin

Products: Basic chemicals; personal care, phar-

maceutical and food ingredients; water treatment chemicals; agricultural and pest control products; coatings, adhesives, composites, sealants and elastomers; oil, gas and mining chemicals; household and industrial cleaning chemicals; specialty and performance chemicals

Services: Industrial warehousing; logistics and distribution; customised blending, manufacturing and packaging; waste management; inventory management; on-site storage and delivery systems; web-based specialty chemical distribution; technical services

Assets: 850+ distribution facilities globally; 3,000+ tractors, tankers and trailers; 125+ rail/barge terminals; 35+ deep sea terminals

3

HELM
2015 SALES: €4.5BN (\$4.89BN)

Hamburg, Germany
WWW.HELMAG.COM

CEO: Hans-Christian Sievers

Products: Feedstocks; organic and inorganic chemicals; specialty chemicals; acids and lyes; active pharmaceutical ingredients; pharmaceuticals; medical products; fertilizers; crop protection chemicals

Services: All global – marketing; logistics; production; project development; scientific and technical services

Assets: More than 100 subsidiaries, sales offices and participation in over 30 countries

4

VINMAR INTERNATIONAL
2015 SALES: \$4.1BN

Houston, Texas, US
WWW.VINMAR.COM

CEO: Hemant Goradia

Products: Olefins and derivatives; aromatics; alcohols; chlor-alkali chemicals; fibre intermediates; polymers

Services: Marketing

5

NEXEO SOLUTIONS
2015 SALES: \$3.76BN

The Woodlands, Texas, US
WWW.NEXEOSOLUTIONS.COM

President and CEO: David Bradley

Products: Alcohols; blends; esters; glycols; hydrocarbons; ketones; resins; silicones; surfactants; isocyanates; engineering and specialty thermoplastics; polyolefins; styrenics

Services: Blending; packaging and private label; technical support; environmental services; global sourcing; analytical testing; product formulations; market dedicated resources; local delivery scheduling; recycling

Assets: 100+ facilities globally; owned trac-

Creative | Committed | Connected



Vinmar International – A global marketing, distribution and project development company that brings value to the world’s best known petrochemical producers and users through customized business solutions.

- 38 years in the industry
- Creating value for world class producers and users large and small
- Long term relationships based on trust and confidence
- Providing local service via 33 strategic global locations
- Creative and sophisticated supply chain solution tailored to needs
- Experienced and knowledgeable team managing market development and customer stewardship
- Strong commitment to compliance and HS&E

FEEDSTOCKS

Ethane
Ethylene
Propane
Propylene
Butane
Butadiene
Butene

CHEMICALS

Acids
Alcohols
Aromatics
Bio-based Chemicals
Chloralkali Chemicals
Intermediates
Plasticizers
Polyurethane
Specialty Chemicals
Oil & Gas Production and Stimulation Chemicals

PLASTICS

Polyethylene
Polypropylene
Polyvinyl Chloride
Polyethylene Terephthalate
Styrenics
Synthetic Rubbers
Engineering Polymers