



## ***1. Company History & Profile***

### ***1.1 Carboline International***

#### ***1.1.1 Carboline History***



**Stanley Lopata - Founder**

Carboline was founded in 1947 by Stanley Lopata, in St. Louis, Missouri. A 1935 Washington University chemistry graduate in Arts & Sciences, he was working as a manufacturer's representative selling corrosion-resistant equipment to the chemical industry.

While calling on a customer, he noticed problems with damage of certain "glass lined" tanks which were critical to their manufacturing process. He developed a furan based patching material that repaired these glass-lined tanks. He applied an innovative technology to solve a customer's problem. The "carbon-based lining" he developed led to the creation of the Carboline Company. We have been in the lining business ever since!

During the 1950's Carboline's first licensee was established in France which became the basis for Carboline's expansion around the world. Since the 1970's, Carboline has invested in many foreign partnerships including Indonesia, Japan, Europe, Argentina, Venezuela, South Korea, Dubai, Norway, South Africa, India, China, Thailand, Singapore, Puerto Rico, Costa Rica, Australia, New Zealand, Canada, Mexico and Vietnam. These partnerships provide world-wide manufacturing and selling opportunities and establish Carboline as one of the leaders in the global.

By the early 1960's the products offered by Carboline included not only Carbo zinc 11 (first self-curing inorganic zinc primer) and Carbo mastic 15 (a surface-tolerant aluminum mastic), but other familiar trade names such as Phenoline, Rustbond, and Pyrocrete Fireproofing products.

In 1961, Carboline had grown to about \$2 million in annual sales volume and the company stock was offered to the public. Realizing the need to establish its own basic plant capabilities, Moran Paint of Xenia, Ohio was purchased. As sales increased, the need for expanded manufacturing capabilities led to the purchase of Admiral Paint Company in Lake Charles, LA. In 1999 subsequent to the

closing of the Xenia, Ohio plant, the decision was made to upgrade the Lake Charles manufacturing facility. As a result, substantial investments were made in Lake Charles to expand equipment and production capacity.

The 1970's were a period of dramatic growth for Carboline. Business in markets such as Offshore, Refineries, Petrochemical, Nuclear Power, Conventional Power and Pulp and Paper grew rapidly. New marketing efforts in General Maintenance, Rail Tanker Cars, Highway Bridges and Marine Linings were also established.

Carboline management decided to sell to Sun Chemical Company in 1980 because of the impending retirement of senior management. By mid 1985, Sun Chemical decided to divest itself of Carboline and they received over 100 inquiries from around the world.

This list was narrowed to 10 including RPM, Inc. - a company well known and respected by Carboline for its outstanding record of growth in sales and profits. Eventually, RPM skillfully outmaneuvered the other bidders making Carboline a part of RPM International, a Fortune 300 company.

Since then, Carboline has acquired Plasite, Imperial Paint, Briner Paint, Sentry Polymers, Nullifire, A/D Fire and Nu-Chem Fireproofing products and Finnaren & Haley marine products. These acquisitions continued to expand Carboline's capabilities in the high performance coatings, linings and fireproofing markets. With the acquisition of Sentry Polymers in May of 1992, the Semstone product launched Carboline into the secondary containment / concrete market. The Plasite Protective Coatings merger allowed Carboline to offer customers the most comprehensive tank lining products in the world.

Since 2003, Carboline has invested extensively to expand service centers and distribution throughout North America establishing the premiere "service and technical support structure" for the protective coatings market. In addition to Carboline's existing Pyrocrete products, Carboline's presence in the global Fireproofing market was enhanced with the June 2005 acquisition of AD Fire, a Canadian based company that excels in the fireproofing business and the June 2006 acquisition of Nu-Chem, a St. Louis based fireproofing company. In June 2007 Carboline acquired the Marine and Industrial Assets of Finnaren & Haley, a regional supplier of marine, industrial and architectural products. The F&H Marine products, combined with an expansion of our marine/offshore sales force, accelerated Carboline's penetration in the offshore, inland and coastal marine market.

International efforts have also recently expanded. In September 2007, Carboline bought out Sumitomo Corporation's equity position in Japan Carboline Company

becoming joint venture partners with Shinto Paint. Carboline established a joint venture, Carboline (Dalian) Paint Co., Ltd., in Dalian, China in January 2009.

A new partnership in Australia and New Zealand with Altex Coatings Ltd. was created in April 2009. In July 2009, Carboline obtained controlling interest in CDC Carboline India.

As a result of this expansion, Carboline consolidated the functions of International Business Development and the current Marketing Department within one organizational function effective in April 2009. This new organizational structure will provide enhanced communication, improved project coordination, more productive execution of the Carboline sales/market strategy and continued support of our sales efforts world-wide.

September 14, 2008, Hurricane Ike stormed its way through St. Louis flooding the corporate headquarters at 350 Hanley Industrial Court. Due to the extensive flood damage, headquarters relocated to 2150 Schuetz Road on February 23, 2009. The R&D department remains at the Hanley location. Since 2005 Carboline has invested in our world-wide research and development center located in St. Louis to expand formulating, testing, application, and analytical capabilities for linings and corrosion protection. In addition, Carboline has one of the most extensive fireproofing labs and testing facilities in the world.

Carboline also has four manufacturing facilities in North America (Green Bay, Wisconsin, Lake Charles, Louisiana, Louisa, Virginia and Toronto, Canada) and over 30 service centers / warehouses located throughout North America.

Carboline is in a constant state of growth. Our reputation has been built through years of successfully providing superior corrosion and fireproofing protection around the world.

Carboline products have been used in the Eiffel Tower, the Statue of Liberty, the Golden Gate Bridge, Busch Stadium, the Vertical Assembly Building at Cape Canaveral (moon program), 3-Mile Island Nuclear Facility, The Harvey Discovery (2006 Ship of the Year), John F Kennedy International Airport, Olympic Stadium for the 1996 Summer Games, and the Galfaks Platform (one of the most profitable off-shore developments in the North Sea) just to name a few.

The innovation of new products developed from new technology continues to be the driving force for Carboline's success. We have never lost sight of what brought us from our beginnings in Stanley's basement to a world class supplier of high performance coatings..."help our customers solve problems."

### ***1.1.2 Carboline Profile***

Carboline Company is dedicated to supplying high performance coatings, linings and fireproofing products around the world through continuous technological improvements and first class service.

#### ***Company Philosophy...***

Our products and services are designed to satisfy our customers' needs through the:

- reduction of loss in value due to the effects of corrosion, erosion, abrasion, physical abuse, weather, fire, etc.
  
- provision of enhanced value due to improved appearance, improved ease of cleaning and mitigation of product contamination
  
- contribution to improved fabrication or to structural integrity

The Carboline Team is dedicated to meeting the needs of our customers through:

- highly trained experts in problem solving
- exceptional service on delivery
- maintaining the reputation of the "easiest to do business with"

We offer our customers the most technically-sound products, the highest quality in manufacturing, superior customer services, and industry leading technical service.

Carboline products offer Low Risk Solutions For High Risk Environments.

#### ***Carboline Company Quality Policy:***

Carboline is committed to providing product and services at a level of quality that meets or exceeds requirements and the expectations that we have presented to our customers. Carboline employees are aware of the corporate goals and objectives and of the role they play in helping to achieve these goals. At Carboline, quality, continuous improvement and customer satisfaction is everyone's responsibility. We are ISO 9001:2000 certified. Carboline is a subsidiary of RPM International, a Fortune 300 company. RPM International Inc. (NYSE: RPM) is a holding company with subsidiaries that are world leaders in specialty coatings and sealants serving both industrial and consumer markets. RPM's industrial products include roofing systems, sealants, corrosion control coatings, flooring products and specialty chemicals. In addition to Carboline other industrial companies include Tremco, Dryvit, and Stonhard.

RPM's consumer products are used by professionals and do-it-yourselfers for home maintenance and improvement.

Consumer brands include Zinsser, Rust-Oleum, and DAP.

### ***Divisions***

Carboline products are marketed and supported by a worldwide network of specially trained and certified sales professionals. This team is further supported by technical service engineers, customer service representatives and market specialists who are dedicated to understanding and anticipating your needs.

In addition to these groups, Carboline products are marketed and serviced by several specialty sales teams for fireproofing, transportation, and OEM applications. Carboline also has trained representatives to aid in our Managed Service program.

**High Performance Coating & Lining**



**Fireproofing**



**Transportation**



**Marine/Offshore**



**Managed Service**

