

CMS Industry Report 2009

What Customers and Suppliers are saying about Chemical Management Services

CMS Customers

Scott Little, Global Commodity Manager, United Technologies Corporation

“The key to a CMS provider’s successful value proposition and longevity is devoting strategic leadership and focusing resources to drive cost out of the customer’s chemical supply chain, evolving from moving transactions to moving markets through the power of aggregated leverage.”

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Mariam Georgaroudakis, Strategic Commodity Management Team, Raytheon Company

“Our CMS program delivered approximately 30-40% net reductions in chemical purchase and management costs in the first 5 years. In addition, requirements for chemical use and management are becoming more stringent with increasing chemical regulations globally. Our CMS provider has implemented a data system that allows us to identify what chemicals we are using in specific locations at the push of a button. This information has proven critical for compliance reporting as well as managing our business more astutely.”

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Government

Matt Hale, Director of the US EPA's Office of Resource Conservation and Recovery

“EPA continues to be a supporter of a CMS approach to chemical management. This innovative approach has been shown to achieve chemical use efficiencies, facilitate the use of green chemistry, and improve overall chemical management.”

Contact information: Latisha Petteway, EPA Office of Public Affairs, 202-564-3191 – note this refers to the Office of Resource Conservation and Recovery

CMS Suppliers

AJ Bless, Program Manager, Chemical Lifecycle Management

“From managing chemical purchasing activities to handling waste, the ability for customers to have a single point of contact at every step of the chemical supply chain drives efficiency and reduces risk. We recently launched a joint venture to cover both ends of the materials stream because this is definitely a growing customer need.”

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Leon Richardson, CEO, Chemico Mays, LLC

“We are seeing CMS extend beyond the traditional manufacturing base to research institutions, biotech, pharmaceutical research labs, medical facilities and K-12 schools. All of these customers have the same needs - to focus on their core competencies and partner with a CMS provider that can optimize chemical use and reduce risk.”

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Thad Fortin, CEO, Haas TCM

“The value of a CMS program goes far beyond getting a better unit price for a chemical. It is about reducing the multitude of costs and resources associated with storing and managing inventory, delivery, data tracking, compliance reporting, and waste handling. Those costs often far outweigh the actual cost of the chemical.”

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Preston Stark, Director, Hisco CMG

“Hisco has provided a full service approach to supplying chemicals for a number of years driven by customers’ needs. To better serve clients’ increasing requirements, CMG (Chemical Management Group) was created to broaden our capabilities of chemical sourcing, process improvement, and environmental and information management. We are enthusiastic about the growth potential for dedicated CMS in a variety of sectors driven by overall economics and the need for total cost reductions, changing regulations, and green alternatives.”

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Mike Stucky, Product Manager, Optima Solutions, PPG Industries, Inc.

“A key aspect of a successful chemical management program is innovation. Innovative products and services have been a hallmark of PPG’s success throughout its history. Given the current situation, companies are looking to reduce costs and ensure the stability of their supply chains and production processes. Chemical management services can help companies be strategic about managing their chemical lifecycle business costs by reducing corporate risk with accurate data management and reducing waste with PPG’s in-house repackaging capabilities.”

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Brenda Pineau, Vice President, TetraTech, Inc.

“With increasingly stringent chemical regulatory activity globally, we are seeing customers struggle to produce accurate and timely data for compliance. This information gap and sharp focus on increasing operational efficiency is driving customers to be more proactive about leveraging data management systems throughout the chemical life-cycle.”

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Additional contacts available for comment

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