



SHINTECH PLANNING EXPANSION

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FREEPORT — Shintech's presence in Brazoria County could be expanding.

The company has applied for a Texas Commission of Environmental Quality permit to construct and operate a vinyl chloride monomer plant in the Chocolate Bayou area, Freeport Site Manager Jim Hodges said. If approved, the new plant also would produce chlor-alkali.

Vinyl chloride monomer is used in the production of PVC, a plastic largely used to make construction materials such as pipe, siding and wire coatings. The chlor-alkali, or caustic soda, might be used for water treatment but is a new application for Shintech, Hodges said.

Specifics are not yet available, but the new facility is slated for construction on a 500-acre site near current industrial plants in the Chocolate Bayou area. When operational, it will produce 825,000 tons of vinyl chloride monomer and 550,000 tons of caustic soda per year, Hodges said. The plant will employ many people — numbers are not yet developed — beginning with construction upon permitting within the next year, he said.

"There will be quite a few jobs for Brazoria County. This is very positive news for the area and the market in general," he said. "The PVC market is continuing to grow, and Shintech is committed to supplying anticipated growth in the United States. It will probably be one of the more exciting things to come to Brazoria County in the last several years."

Shintech Freeport currently purchases vinyl chloride monomer from Dow Chemical Co. and still will need to trade in that material with the chemical giant. The projected 825,000 tons per year is less than purchased from Dow, and the new plant will not hinder relations, he said.

"We're very much committed to our partnership with them and hope to continue," Hodges said.

Dow currently supplies vinyl chloride monomer to Shintech's Freeport and Louisiana plants. Demand for Dow products is high across the board, spokeswoman Tracie Copeland said.

"Business conditions for (our) products are favorable and our assets are running well and near capacity," Copeland said. "We continuously monitor market and business conditions for all of our products and adapt our strategy to reflect the evolving business environment."

A Louisiana facility similar to the one planned at Chocolate Bayou is about 70 percent complete. Shintech's PVC manufacturing facilities are in Texas and Louisiana, and the company is the largest volume PVC producer in the world, according to a press release. Shintech's North American headquarters are in Houston.

Shintech began PVC production in Texas in October 1974. The company is a wholly owned subsidiary of Tokyo-based Shin-Etsu Chemical.

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