



China Array Plastics

PRESS RELEASE

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China Array Plastics Will Highlight Dairy Industry Applications at ChinaPlas 2008 in Shanghai, China

High Performance Thermoplastic Material Molder Find Right Fit in Burgeoning Dairy Industry with Highly Specific, Strong, and Chemically Resistant Molded Parts

Pittsfield, Mass. – April XX, 2008 – China Array Plastics, a full service injection molder headquartered in Pittsfield MA USA will showcase new dairy applications molded of high performance thermoplastic (HPP) materials in its China factory. Featured parts for the dairy industry molded of new grades of polysulfone and polyethersulfone from Solvay Advance Materials. China Array opened a new state-of-the-art injection molding facility in the Zhuankou Industrial Park in Wuhan, China in 2006. With clamp tonnage from 50-150T, the company is among the first in China to specialize exclusively in custom molding high-performance thermoplastics – such as polysulfone (PSO), polyethersulfone (PES) polyetherimide (PEI) and polyetheretherketone (PEEK) – used in demanding, high-tech applications. China Array Plastics offers multinational OEMs operating in China tremendous advantages vs. importing parts, including higher quality, faster delivery, lower manufacturing costs, and highly trained U.S. and local expertise.

On display will be several parts for the dairy industry, made of Udel P1700 NT® Polysulfone and Polyethersulfone (PSO). These parts are used for gathering and distributing milk at dairy farms. The parts are used on a continuous basis multiple times per day, and require strength and clarity in order to observe fluid flow. Udel was selected for its resistance to cleaning chemicals, toughness at extreme temperatures, and FDA compliance.

With China's exceptionally rapid economic development, its needs are shifting beyond commodity materials to specialty plastic parts made from high-end materials. "Consumer demand is changing by the day as living standards improve across China. The taste for milk and milk products is driving growth in the dairy products industry, requiring the use of HPP materials such as polysulfones and polyethersulfones," said Russell Johnson, president and founder, China Array Plastics. "Our expertise ensures that such parts will be produced efficiently, and with good quality on the proper equipment, so that the end user is satisfied. We have seen inferior replacement parts infiltrate the Chinese domestic market, obviously made without regard to proper material selection or design."

After years of stagnant growth, China's dairy industry has grown to nearly \$3 billion in annual sales, according to chinamarketresearch.com. Already Asia's second largest, the dairy industry is set to double to nearly \$20 billion in next two years as urban development, consumer tastes, government programs, and western populations increase on the Chinese mainland, as found by McKinsey Quarterly research.

With increased consumption of dairy products comes the need for homegrown dairy cattle and milk production. China Array Plastics is uniquely positioned to fill the void dairy producers will need to fill as their capacities grow over the coming years.

"We are seeing dramatic growth in dairy applications, which requires products such as Polysulfone, Polyethersulfone and, known for their strength and ability to endure harsh cleaning conditions after repeated use, along with other high-performance plastics" said Carl Olson, vice president, sales and marketing, China Array Plastics. "Working with global suppliers like SABIC Innovative Plastics and Solvay Advance Materials ensures we are on the cutting edge of the newest and most advanced grades of these materials. Having access to these materials is a plus for our customers to help meet their product and material needs as they arise."

At an estimated 10 million cattle, the Chinese government is looking to increase the size of the herd as they embark on a campaign to double the domestic consumption of dairy products, according to the Australian Broadcasting Network. However one of China's main suppliers of cattle, the Waikato region in New Zealand, continues to recover from a recent drought and needs to stock their local herd before exporting cattle, leaving a void in the dairy industry. As

demand for products increases and the domestic industry cannot meet the demand, China must look elsewhere for their dairy products.

China Array will continue to supply its traditional market in North America where record milk prices and increased export demand have boosted demand. According to the Minneapolis Star Tribune, the USDA recently raised its estimate of agricultural exports for 2008 to \$101 billion, a 10 percent increase from its forecast this past fall. Slightly more than half of that increase is due to higher prices for agricultural products. "Foreign demand remains remarkably strong given sharply higher prices," the report noted. China's economy, expected to be the fastest growing in the world this year, will drive sales of U.S. poultry, red meats and dairy products, according to the forecast.

China Array Plastics' factory is located in Wuhan, China, an industrial and hi-tech city located in central China. Wuhan is also known as the "Optical Valley" of China due to its concentration of optical technology companies. It is also home to many universities and technical institutes from which many innovations in fiber optic technology have sprung.

With clamp tonnage from 50-150T, China Array Plastics is among the first in China to specialize in custom molding high-performance thermoplastics – such as polysulfone (PSU), polyetherimide (PEI) and polyetheretherketone (PEEK), used in demanding, high-tech applications. China Array Plastics also offers multinational OEMs operating in China tremendous advantages vs. importing parts, including higher quality, faster delivery, lower manufacturing costs, and highly trained U.S. and local expertise.

China Array's capabilities further underscore its growth strategy to differentiate itself as a market leader and innovator in the injection molding of high-performance thermoplastic materials in Asia. Recent developments demonstrate the value of such a specialized approach: China Array is now producing and delivering HPP products locally in China, to both domestic Chinese manufacturers as well as multi-national customers. The company is continuing to serve and target high-end niche segments where these materials are increasingly in demand, such as the medical, electronics, fluid-handling, and aerospace industries where high-value, low-volume applications are typical. In support of its world-class injection molding expertise, China Array

Plastics also offers customers advanced engineering, mold design, application development, and testing services to further support customer growth and innovation.

“We are unique and different from other injection molding companies operating in China,” said Russell Johnson, president and founder, China Array Plastics. “Molders of commodity materials are everywhere in the country, but custom injection molders of high performance thermoplastics for global OEMs are almost non-existent.”

About China Array

China Array US was founded 28 years ago by Russell Johnson, who has been manufacturing industrial products to meet international standards continually during that time. Johnson has also served as an advisor to Harvard Business School's Asian Research Center on manufacturing in China. China Array Plastics is a full-service custom injection molder specializing in high-performance thermoplastics.

China Array Plastics selected Wuhan for its China headquarters due to the city's historical position as the heartland of Chinese industry. Wuhan, which is home to several universities and technical institutions, offers skilled workers, a well developed infrastructure, and excellent distribution. The capital of Hubei Province, Wuhan straddles the Yangtze River at the nexus of main river, rail, and highway routes running north/south and east/west across China. Approximately equidistant from Beijing, Shanghai, and Hong Kong, it is perfectly situated for supplying customers within China or for reaching coastal ports for export.

China Array Plastics is a US company. The new facility – whose Chinese name is Wuhan Array (China) – is known as a wholly owned foreign enterprise in China. This structure allows China Array Plastics to protect its customers' intellectual property rights and gives them the confidence of dealing with a firm that operates under the laws and business practices of the United States.

For more information on China Array Plastics go to: www.chinaarrayplastics.com