

TDT Chemicals

8 December 2011

Background: TDT is a small importer and distributor of raw materials for manufacturing industry with a turnover of approximately \$ 1-1.5 million. As a small niche supplier we constantly need to find new products to compete with existing suppliers and technologies. These products are new generation by nature if they are not on the 1993 AICS list. We know the cost to introduce a chemical is approximately \$20,000.00 dollars and to recover that on a 15 % net margin you would need to have a market size of \$130 K just to cover costs which is quite considerable in the additive market place (i.e. just an additive use in detergents, coating etc). A point in case would be a water based fabric protection chemical. The available market for TDT might be \$50,000 but we cannot introduce the chemical as it is not commercially viable for us. Water based products are preferable to old solvent based products but unless you have deep pockets to introduce they are lost to Australia industry although overseas companies could be using them and importing finished products with the chemical included.

Sales are small of additives especially if you are dealing with SME. We would propose in the interest of moving manufacturing industry on in Australia that a system be based on sales volume of the product and the product it is replacing. We would still suggest for public security that NICNAS review a TDS, MSDS and application data of the product and if in their opinion minimal risk to the public and environment it be listed on the AICS list. This would also increase competition if all importers could import the chemical based on the AICS listing. If the initial review of TDS, MSDS deemed after the consultation with the company proposing the product that it was in the publics interest to do a full review then it would proceed this way. A minimal charge of say \$500.00 to conduct the first review would be sufficient that there had to be just cause in introducing the product in the first basis. I would be happy to discuss this further with you.

Best Regards

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