

# TEAM NEWS

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## MATERIAL SUPPLY UPDATE

As many of you have read in our newsletters over the past couple years, our industry is faced with some critical material challenges due to decreased supply of various components that make up pressure sensitive materials. My plan is to keep our customers informed about this important topic so that they understand the dynamics of the marketplace and can communicate the situation to their customers.

Currently, there are two critical supply issues in the marketplace. First, PET or polyester is being absorbed in the production of solar panels and flat screen TVs and supply is very short. About 10% new capacity is coming on line in the back half of this year, but all new production is located in Asia.

Secondly, yesterday Dow Chemical declared force majeure (exempt from fulfilling contracts due to causes beyond its control) on its ability to continue to supply propylene monomers used in the production of BOPP and acrylic polymers for adhesives. Acrylic Polymers are currently being produced at a 97% capacity level. It will only take a hiccup (such as the above force majeure to be declared on this supply component) and we may see shortages appearing on all our pressure sensitive products. Unless new supply comes on line, we suspect we will see allocations or possibly shortages on some products occurring before mid-year, but the degree of these allocations or shortages are still uncertain. We will keep you posted as we learn more.

## WELCOME JIM KERSTEN

DLS is pleased to have hired Jim Kersten as our new CEO. Jim has an extensive marketing and operations background with Wallace and RR Donnelly and looks forward to working with everyone on new opportunities or resolving any issues you are having. Please feel free to contact Jim at 800-397-3013 x103 or you can email him at [jkersten@teamdlsolutions.com](mailto:jkersten@teamdlsolutions.com).

You will hear from us from time to time as we have new offerings. Please contact us for a full catalog and price list of our labels and ribbons, 800-397-3013 x2 or e-mail Lori Day at [lday@teamdlsolutions.com](mailto:lday@teamdlsolutions.com).

Please call us if you do not wish to be contacted in the future, 800-397-3013 x2.

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