

**TESTIMONY OF DAVID BENNETT
OF INTERTAPE POLYMER GROUP
BEFORE THE U.S. INTERNATIONAL TRADE COMMISSION
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Good morning. I am David Bennett and I am Vice President of Carton Sealing Tape and Film Operations at Intertape Polymer Group. In my position, I am responsible for overseeing the operations of 5 IPG locations that manufacture pressure sensitive (PSP) tapes and films. The locations include: Danville, Virginia, Tremonton, Utah, Carbondale, Illinois, Menasha, Wisconsin and Brighton, Colorado.

As my colleagues have indicated, IPG strongly believes that there would be a recurrence of material injury to the domestic industry if the antidumping order against PSP tape were to be lifted at this time. I appreciate the opportunity to speak to you today about the production process for hot melt PSP tape.

We were very fortunate to have two of the Commissioners and several ITC staff members tour our Danville, Virginia facility in December 2015. We manufacture and distribute pressure sensitive carton sealing tape in Danville. The plant was founded in 1987 and has over 280 team members with an average of 12.5 years of service. Our engaged associates in Danville operate a safe, world-class, large-scale facility.

The new jobs that Intertape created over the last 29 years have helped to stabilize Danville's and Pittsylvania County's economy during a time when textiles

and agriculture were in a decline. Approximately 80 percent of the Danville plant's product mix is hot melt carton sealing tape and 20 percent is acrylic carton sealing tape.

The Danville plant's operation is a significant portion of Intertape's sales revenue. The Danville plant has grown to over five hundred thousand square feet of manufacturing and distribution facilities under one roof, with investments of approximately \$100 million.

The starting material for tape is polypropylene film which we manufacture ourselves at IPG. Railcars arrive with polypropylene resin pellets which are extruded into films for packaging tape production. We then take those rolls of film and coat them on a coating line with hot melt adhesive on one side and release agent on the other. The release coat controls the unwinding of the tape for conversion and customer applications. The release coat also greatly increases the speed in automated processes when a large roll, called a machine length roll, is used. Most hot melt is used in automated industrial applications, so the inclusion of the release coating is an important part of the process. The adhesive was also compounded in our plant using various rubbers and resins. These processes utilize the latest in technologies and a high degree of automation. Our operators service and monitor these processes as skilled technicians which require a high degree of training and computer competence.

Acrylic tape starts with similar grades of polypropylene films. These films are coated with a water based emulsion adhesive. Acrylic tape does not have a release coat. It has a much slower unwind and is primarily used in consumer applications where the tape is applied by hand.

Both acrylic and hot melt master rolls are then converted into smaller widths on a tape slitter, and the slit tape then is packaged and prepared for shipping. Hot melt and acrylic PSP tapes have completely different or separate production processes and coating lines. While hot melt uses a continuously compounded SIS rubber based adhesive, acrylic uses a water-based acrylic emulsion. The adhesive for hot melt is extruded into the film while acrylic adhesive uses a more traditional roll coating method. Hot melt also runs considerably faster than acrylic. As we demonstrated at the Danville tour, the ovens for acrylic carton sealing tape are different and much longer than the ovens for the hot melt product, and because the acrylic product is a water-based adhesive, the drying process takes longer for acrylic tape.

The differences I have described regarding hot melt and acrylic PSP tape production also result in different storage, pumping, and mixing systems. The capital costs for hot melt production are significantly higher than for acrylic and production is more technologically sophisticated.

All IPG carton sealing tape products undergo a battery of quality control, which predict their performance in a wide variety of customer applications. As those who toured our plant observed, those tests reveal major differences between the final products, acrylic and hot melt PSP tape.

It has recently become apparent to U.S. producers of carton sealing tape, like IPG, that hot melt carton sealing tape is a separate like product from other kinds of carton sealing tape. There are distinct physical characteristics, uses, customers, machinery and equipment and pricing levels that separate hot melt carton sealing tape from acrylic carton sealing tape.

Carton sealing tape is one of our company's flagship products and the production of carton sealing tape in Danville Virginia and Carbondale Illinois is vitally important to Intertape's operations. Thank you for your attention and I will be glad to answer any questions that you may have.