SPRAY FOAM COALITION
Serving the Contractors

January 31, 2018
SPFA Convention and Expo
Mobile, Alabama
ANTITRUST POLICY STATEMENT FOR SPRAY POLYURETHANE FOAM ALLIANCE MEETINGS

• It is and shall remain the policy of the Spray Polyurethane Foam Alliance ("SPFA"), and it is the continuing responsibility of every SPFA member company, SPFA meeting or event participant, as well as SPFA staff and leadership to comply in all respects with federal and state antitrust laws. No activity or discussion at any SPFA meeting or other function may be engaged in for the purpose of bringing about any understanding or agreement among members to (1) raise, lower or stabilize prices; (2) regulate production; (3) allocate markets; (4) encourage boycotts; (5) foster unfair or deceptive trade practices; (6) assist in monopolization; or (7) in any way violate or give the appearance of violating federal or state antitrust laws.

• Any concerns or questions regarding the meaning or applicability of this policy, as well as any concerns regarding activities or discussions at SPFA meetings should be promptly brought to the attention of SPFA’s Executive Director and/or its legal counsel.
How Has SFC Supported Contractors?

- **Spray Foam Coalition Overview**
- **Advocacy**
  - California Safer Consumer Products Regulation
  - Blowing Agents Update
  - FTC R-value Rule
- **Codes and Standards**
  - Insulation Industry Product Category Rule
  - ICC 2021
  - Local Code Adoption
- **Marketing**
  - Trade Shows / Spray Foam Forums
  - Whysprayfoam.org
  - Roofing Brochure
- **Contributions of the Insulation Industry to the U.S. Economy**
- **Resources**
Mission Statement

SFC champions the use of spray polyurethane foam in North America by promoting its energy efficiency, performance, economic benefits, and contributions to sustainability. The SFC provides a forum to conduct research, to advocate for science-based public policy, excellence in safety, stewardship, training, and to advance technical knowledge.
## Spray Foam Coalition Members

- Albemarle*
- **Accella Polyurethane Systems**, a division of Carlisle Construction Materials Corp
- Arkema*
- BASF
- Chemours*
- Clayton Corporation / DAP Foam
- COIM USA, Inc.*
- Covestro*
- Demilec USA
- Dow Building Solutions
- Elastochem Specialty Chemicals
- **Evonik**
- Foam Supplies, Inc.
- **Gaco Western**
- General Coatings
- Graco, Inc.*
- Henry Company
- **Honeywell**
- Huntsman International
- ICL-IP*
- ICP Adhesives and Sealants
- Icynene, Inc.
- Johns Manville
- **NCFI Polyurethanes**
- Polyurethane Machinery Corporation*
- SES Foam
- Solvay Fluorides*
- Stepan*
- **SWD Urethane**
- Volatile Free Inc.
- **Wanhua Chemical (America)***

*Associate Member

SFC Leadership Committee
CALIFORNIA SAFER CONSUMER PRODUCTS REGULATIONS
(a) Membership Criteria

Membership in the Panel shall be open to individual corporations and other entities that:

1. Manufacture TDI or MDI in the United States; or
2. Import for sale TDI or MDI in the United States. Only significant importers with net sales of $10 million or above meet this criterion.

No member shall be:

3. Distributors, processors, or re-packagers of TDI or MDI;
4. an individual or entity whose principal business is conducting market research or providing analysis or commentary on the diisocyanates industry and/or in the business of providing investment advice regarding diisocyanates companies.

DII Operating Guidelines

• “SPF with Unreacted Isocyanates” identified as potential Priority Product.

• Focus: Worker exposure to isocyanates during applications.

• Industry opposed to Priority Product listing: Existing occupational regulations and industry training/product stewardship protect workers.

• Supporting California insulation contractors.

California Safer Consumer Product Regulations
California Safer Consumer Product Regulations

Candidate Chemical List

Priority Product Identified by Regulation

Alternatives Analysis

Regulatory Response

Proposed rule does not restrict use of spray foam products.
Blowing Agents Update

- SNAP Rule 20 under litigation
  - Petitioners have requested a rehearing
  - Rule is still effective
  - SNAP Rule 21 litigation on hold, pending SNAP 20
- California Air Resources Board plans to address HFCs
  - Adopting SNAP 20 and 21 into CA regulation
  - Planning to address SPF later in 2018
- Will likely require transition to HFO blowing agents
FTC R-value Rule

- Federal Trade Commission is proposing amendments to the R-value Rule
  - Proposing change to Fact Sheets related to:
    - air infiltration
    - proper installation
  - Maintains ability to cite R-value per inch
- SFC comments on ANPR secured key wins for SPF
Marketing

• Held 3 successful SPF forums
• Revamped whysprayfoam.org
• Bylined articles
• Trade shows:
  • International Builder’s Show
  • International Roofing Expo
  • Pacific Coast Builders’ Conference
• SPF Roofing
  • Developing new promotional brochure
Contributions of the Insulation Industry to the U.S. Economy
What is the Insulation Industry?

**Insulation Materials**
- Cellulose
- Fiberglass
- Mineral wool
- Polyisocyanurate foam (polyiso)
- Polystyrene foam
- Polyurethane foam


<table>
<thead>
<tr>
<th>Service</th>
<th>Employment</th>
<th>Payroll ($billion)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Insulation Manufacturing</td>
<td>33,400</td>
<td>$1.8</td>
</tr>
<tr>
<td>Distribution/Wholesale</td>
<td>32,500</td>
<td>$2.1</td>
</tr>
<tr>
<td>Installation</td>
<td>323,600</td>
<td>$16.3</td>
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<tr>
<td><strong>Total</strong></td>
<td>389,400</td>
<td>$20.2</td>
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</table>
## Upstream and Downstream Impacts

### Upstream Economic Impact of Insulation Manufacturing (2016)

<table>
<thead>
<tr>
<th>Impact Type</th>
<th>Employment</th>
<th>Payroll ($ billions)</th>
<th>Output ($ billions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Impact (Manufacturers)</td>
<td>33,402</td>
<td>$1.8</td>
<td>$11.7</td>
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<tr>
<td>Indirect Impact (Supply Chain)</td>
<td>42,512</td>
<td>$3.2</td>
<td>$13.9</td>
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<tr>
<td>Payroll-Induced Impact</td>
<td>48,971</td>
<td>$2.5</td>
<td>$8.1</td>
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<tr>
<td><strong>Total Impact</strong></td>
<td>124,886</td>
<td>$7.5</td>
<td>$33.7</td>
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</tbody>
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### Downstream Employment and Payrolls (2016)

**Distribution/Wholesale**
- Roofing, Siding, and Insulation Wholesalers: 32,503 employees with $2.1 billion in payroll

**Installation/Contractors**
- Drywall & Insulation - Residential: 98,964 employees with $5.5 billion in payroll
- Drywall & Insulation - Nonresidential: 128,207 employees with $6.9 billion in payroll
- Roofing - Nonresidential: 96,375 employees with $3.9 billion in payroll

**Total Installation/Contractors**: 323,546 employees with $16.3 billion in payroll

Resources

• Promotional Information
  • www.whysprayfoam.org

• Guidance Documents
  • https://polyurethane.americanchemistry.com/Guidance-Documents/
  • Booth 703

• ACC OSHA Alliance
  • https://polyurethane.americanchemistry.com/ACC-and-OSHA-Alliance.html
Visit spraypolyurethane.org for:

- SPF Basics
- Health and Safety Guidelines
- Guidance Documents & Videos
- What to Expect Installing SPF
- SPF Training
Thank you!

Stephen Wieroniey

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