Since January 2020 Elsevier has created a COVID-19 resource centre with free information in English and Mandarin on the novel coronavirus COVID-19. The COVID-19 resource centre is hosted on Elsevier Connect, the company's public news and information website.

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on a pro forma basis) a year earlier. Sales volumes were up 7% year on year (+6% on a pro forma basis).

The company’s operations have been designated as essential during the COVID-19 pandemic – given the applications of titanium dioxide, zircon and other co-products in critical products such as food and medical packaging, medical equipment, pharmaceuticals, and personal protective equipment – and all Tronox sites are operating. As of May 2020, the company reported that demand for titanium dioxide remained mixed across regions, with North America being the most resilient and China improving, offset by weaker demand in regions hit hardest by the virus, such as southern Europe, Brazil and India. It expects volumes for 2Q 2020 to decline by approximately 20% compared to first-quarter levels. In response to the economic uncertainties wrought by the coronavirus crisis, Tronox is reducing its full-year 2020 capital expenditure by at least $50 million to $225 million.

More information: www.tronox.com

Orion constructing new logistics centre in Cologne

Global carbon black supplier Orion Engineered Carbons is investing in a new logistics centre at its largest manufacturing facility in Cologne, Germany. Construction of the shell was scheduled for completion at the end of June, with handover and commissioning of the new centre expected in December. Once complete, the central warehouse will occupy an area of 8850 m², equivalent to a capacity of approximately 12 400 pallets.

Orion’s Cologne plant produces some 160 000 tonnes of carbon black each year in more than 100 differentiated grades, which must be treated and handled very carefully, reports Dr Sandra Niewiem, senior VP specialty carbon black and EMEA region. The new, modern distribution centre will enable the company to grow its business further in a location where it has deep roots, she says.

The new warehouse, which Orion will lease from logistics service provider Grieshaber, will have eight truck docks. It will equalize plant traffic, with about 100 trucks passing through the facility each day. With consolidation into one location, the new warehouse will also eliminate internal logistics, the company says. Utilizing a space-optimized shuttle warehouse system and connected to the production plant via an automated material conveyor system, the new warehouse ‘will be able to guarantee a smooth and even more efficient flow of goods’, according to Grieshaber.

In other facilities news, Orion also recently officially opened its new technical service applications laboratory in New Jersey, USA [ADPO, January 2020, pp. 8–9], expanding its global network of labs and strengthening its specialty carbon black business in the Americas.

More information: www.orioncarbons.com

Clariant posts weaker results due to ‘unprecedented’ economic environment

For the first quarter of 2020, Clariant posted sales from continuing operations of CHF1.019 billion (c. €950 million) compared to 1Q 2019 sales of CHF1.164 billion (restated to take into account the reclassification of the Masterbatches and Pigments businesses as discontinued operations during 2019). This corresponds to a 6% decline in sales in local currency terms but a 12% decrease in Swiss francs due to unfavourable currency translation.

The continuing operations EBITDA for the 2020 quarter was CHF157 million, down 14% in Swiss francs from CHF183 million a year earlier due to the decline in sales. However, the company emphasizes the resilience of the EBITDA margin at 15.4% compared to 15.7% in 1Q 2019, underpinned by ‘rapid and efficient implementation’ of cost control measures, it reports.

By region, Latin America and the Middle East and Africa were the only areas to achieve sales increases in local currency terms. Despite the impact of COVID-19 in China during 1Q 2020, sales development in Asia was ‘robust’ overall, according to the company, with a contraction in the low single-digit range. Sales in North America decreased slightly but weakened significantly in Europe. By business area (BA), the Natural Resources BA, which now includes the Additives business, posted a 2% increase in local currency sales in 1Q 2020. Sales in the Care Chemicals and Catalysis BAs declined. For the discontinued Masterbatches and Pigments operations, 1Q
2020 reported sales declined by 6% year on year in local currency and by 12% in Swiss francs.

Due to the COVID-19 pandemic, the entire chemicals industry was confronted by an ‘unprecedented economic environment’ in 1Q 2020, which, in the case of Clariant, was exacerbated by a mild winter season, the company says. Efforts to minimize the impact of the pandemic are ‘fully in place’ based on a strong balance sheet and liquidity position, Clariant reports.

More information: www.clariant.com

Cabot delivers ‘solid results’ in second quarter of fiscal 2020

For the second quarter of its 2020 fiscal year, Boston-headquartered Cabot Corp recorded a small net loss attributable to the company of US$1 million and total segment EBIT of $95 million on net sales of $710 million. This compares with net income of $23 million and total segment EBIT of $112 million on net sales of $844 million achieved in the same quarter of fiscal 2019.

According to Cabot’s CEO Sean Keohane, the company delivered ‘solid results’ in 2Q fiscal 2020 despite the onset of the COVID-19 pandemic during the quarter. The estimated impact of the coronavirus crisis on EBIT in the quarter was $21 million, primarily due to lower sales in China, Keohane says. A rapid decline in volumes was also experienced across the Americas and EMEA (Europe, Middle East and Africa) regions in the second half of March after ‘a strong result’ in January, February and early March, he reports. Reinforcement Materials was particularly affected, experiencing a 14% year-on-year decline in global volumes in 2Q fiscal 2020, with Asia down 20%, EMEA 13% and the Americas 8%.

The Reinforcement Materials segment reported sales of $355 million in 2Q fiscal 2020 compared to $445 million a year earlier. The segment’s EBIT was flat compared to the previous year at $61 million, and up 30% sequentially from the first quarter of the year despite the negative impact from the COVID-19 pandemic. The lower sales volumes were offset by higher margins due to pricing and mix benefits in both the tyre and industrial products lines, Cabot reports.

The Performance Chemicals segment posted sales of $245 million in 2Q fiscal 2020 ($254 in 2Q fiscal 2019), of which Performance Additives accounted for $168 million and Formulated Solutions $77 million. EBIT decreased by $7 million year on year to $31 million, primarily due to lower margins and weaker product mix in fumed metal oxides, partially offset by higher volumes. Volumes in the Performance Additives business increased by 6% year on year due to the speciality carbons product line, the company says. Looking ahead, Keohane expects COVID-19 to have a ‘pronounced effect’ on fiscal third quarter results but says that Cabot’s ‘financial footing is sound’.

In other news, Cabot has completed the $115 million acquisition of Chinese carbon nanotube producer Shenzhen Sanshun Nano [ADPO, March–April 2020, pp. 10–11]. It will be integrated into the Performance Chemicals segment.

More information: www.cabotcorp.com

Orion Engineered Carbons reports lower results in 1Q 2020

For the first quarter of 2020, Orion Engineered Carbons reported net sales of US$336.0 million compared to net sales of $384.7 million a year earlier. Quarterly net income was $18.0 million, some 5% lower than net income of $19.0 million in 1Q 2019, largely due to foreign exchange rate losses; however, adjusted net income for the three months was $26.6 million, up from $23.8 million in the first quarter of 2019. Adjusted EBITDA was $63.8 million in 1Q 2020 compared to $64.6 million the previous year.

Orion’s Specialty Carbon Black business posted net sales of $119.8 million in 1Q 2020, a 9.0% decrease year over year, mainly due to lower volumes and the pass through of lower feedstock costs to customers, partially offset by favourable product mix and base price increases. Compared to 1Q 2019, volumes decreased by 8.8% to 58 300 tonnes, mainly due to weakening demand in the North America and Western Europe regions, predominantly in the automotive and pipe markets, the company says. The segment’s gross profit decreased by 4.0% year on year to $39.7 million, while adjusted EBITDA fell by 4.5% to $28.1 million, although the associated margin increased 110 basis points to 23.4%.

In the Rubber segment, net sales declined by 14.6% to $216.2 million in 1Q 2020, largely due to lower volumes and lower feedstock costs, partially offset by base price increases.