

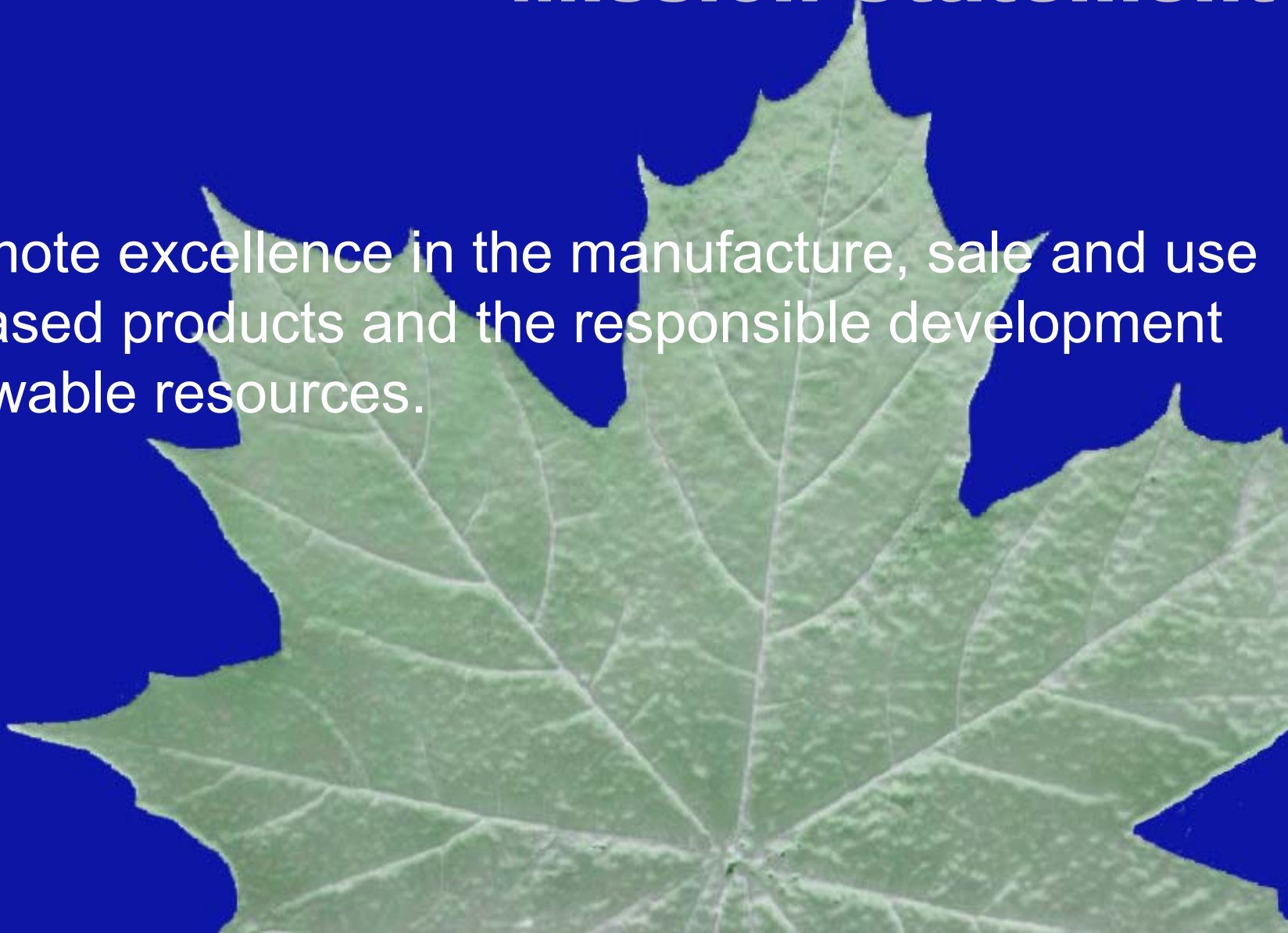
# BIOBASED™

Manufacturers Association



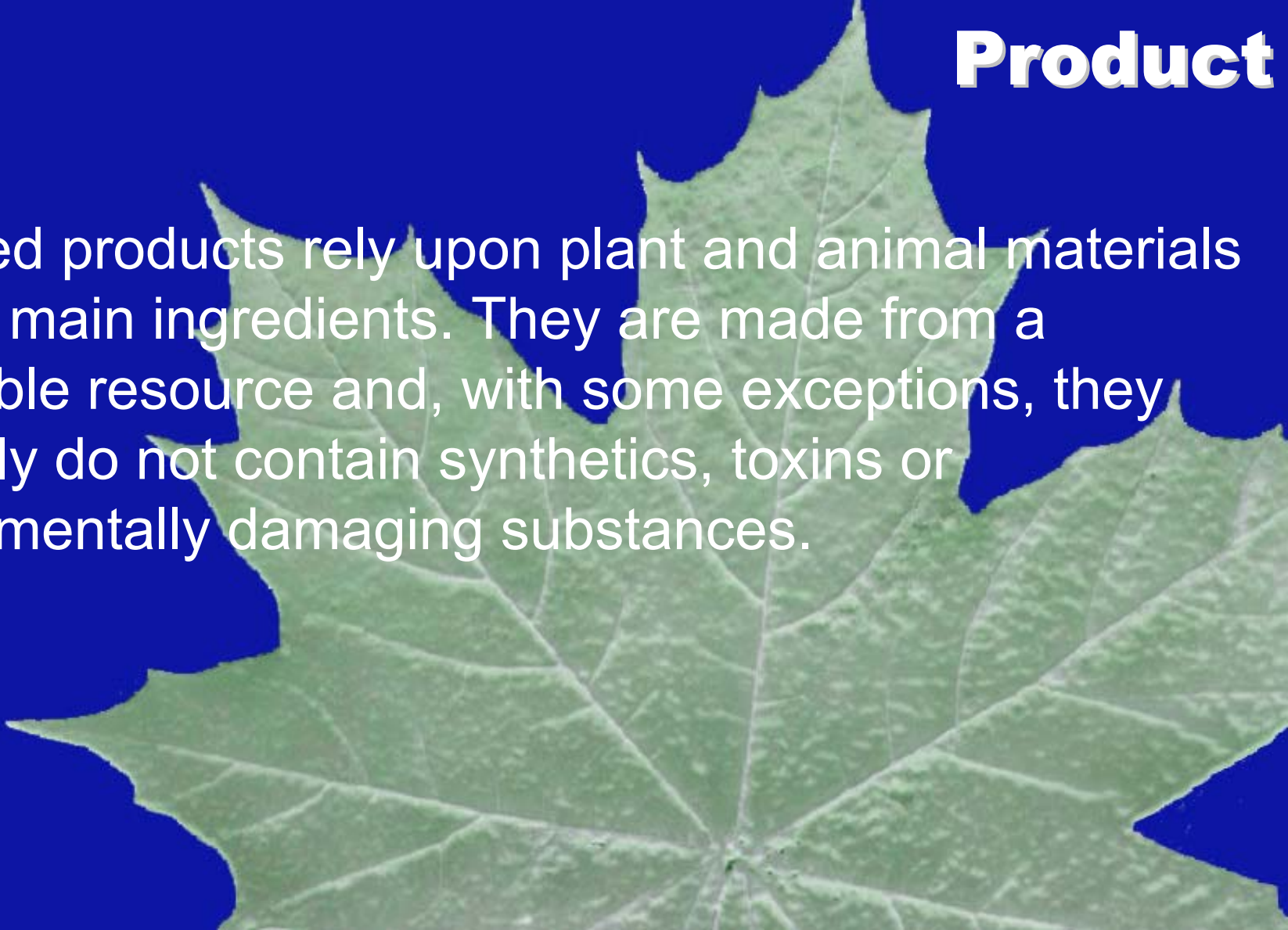
# Mission Statement

To promote excellence in the manufacture, sale and use of biobased products and the responsible development of renewable resources.



# What is a Biobased Product

Biobased products rely upon plant and animal materials as their main ingredients. They are made from a renewable resource and, with some exceptions, they generally do not contain synthetics, toxins or environmentally damaging substances.



# Proposed Definitions

A Biobased product has a biomaterial content of 90% or more (apart from water and other inorganic materials), expressed as a percentage of overall volume (if a liquid) or weight (if a solid), and wherein the non-biobased content is incidental to the overall product performance and made necessary only because a biobased equivalent does not yet competitively exist in the market place.

# Proposed Definitions

***A Product Having Biobased Content*** is a product with biobased content of less than 90% [apart from water and other inorganic materials, expressed as a percentage of overall volume or weight].

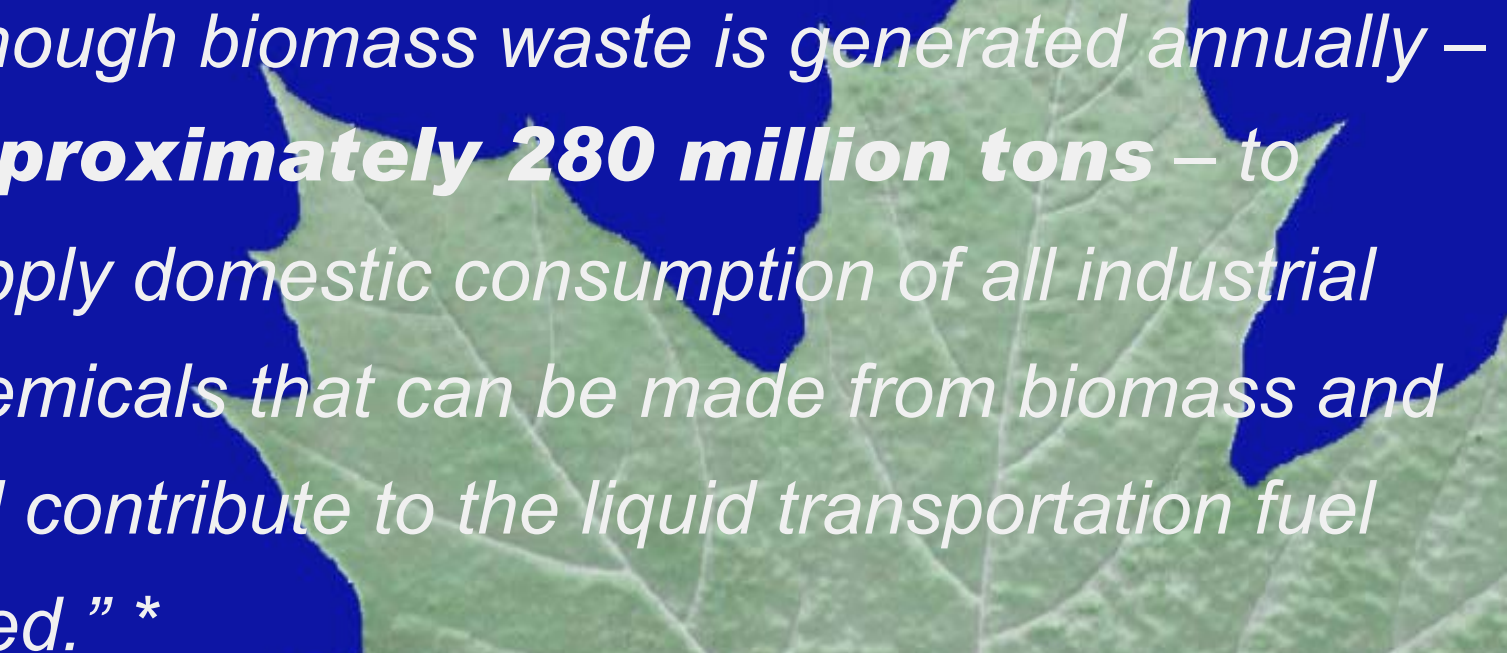
- 20% or less Low Biobased Content
- 21%-50% Moderate Biobased Content
- 51%-90% High Biobased Content

# Biobased Products Fall Into Three Categories

- **Biofuels** Commodity oils, biodiesel, ethanol
- **Biochemicals** Specialty chemicals, such as paints, inks, surfactants, polymers, lubricants, solvents, and adhesives
- **Biomaterials** Fiber products, lumber, leather, processed foods, laminates, roofing, plastics, insulation and absorbents

# Biobased Sources

- **Seeds** Soybean, Corn, Rapeseed, Palm, Flax, Linseed, Oat, Sunflower, Cotton, Rice, Wheat, Jojoba, Canola etc.
- **Fruit** Apple, Orange, Rose, Pear, Mellon, etc.
- **Leaves** Grasses (Hay, Flax, Rice, Wheat, Milkweed)
- **Stems** Kenaf, Sugar Cane, Trees, Hemp
- **Algae** Phytoplankton, Kelp, etc.
- **Animals** Cattle, Sheep, Bees, Fish, Sponges, birds, Zooplankton, etc.
- **Waste** Manure, Peanut shells, Compost
- **Bacteria, Molds & Fungi**



*“Enough biomass waste is generated annually – **approximately 280 million tons** – to supply domestic consumption of all industrial chemicals that can be made from biomass and still contribute to the liquid transportation fuel need.” \**

\*Biobased Industrial Products: Priorities for Research and Commercialization  
[www.nap.edu/openbook/030905392/](http://www.nap.edu/openbook/030905392/)



# Biobased Renewable Resource Products

- **Absorbents / Adsorbents**
- **Activated Carbon**
- **Adhesives**
- **Agricultural Chemicals**
- **Fibers / Bonded Fabrics / Textiles**
- **Fuels**
- **Plastics / Polymers / Films**
- **Construction and Composite Materials (Panels, Laminates, Hardware)**
- **Cleaning Chemicals, Surfactants, Soaps, Detergents**
- **Foods, Beverages, Nutrients**
- **Fuel Additives**
- **Fertilizers**
- **Gases And Vapor Technology**
- **Inks, Dyes, Pigments**
- **Landscaping Materials / Soil Amenders**
- **Lubricants / Rust Inhibitors / Functional Fluids**
- **Oils, Waxes, Binders**
- **Packaging**
- **Paints / Coatings**
- **Personal Consumer Items / Cosmetics**
- **Pharmacology & Neutraceuticals**
- **Soil Remediation**
- **Solvents & Co-Solvents**
- **Specialty Chemicals, Fatty and Acetic Acid**
- **Paper & Paper Products**
- **Water & Wastewater Treatment**

## Typical Biobased Manufacturer

### Less than:

- 1,000,000 in annual revenue
- 10 person staff
- 5 years old
- \$100,000 initial capitalization



# Typical Biobased Manufacturer

## Lacks:

- Sophisticated distribution channels, usually has highly localized distribution.
- Sophisticated management skills
- Upward mobility driven by market demand
- Government development support compared to mainstream manufacturing entities
- Connection to global markets
- Institutional credit rating and securities outlets for capital expansion

# Industry Needs

- Adequate capitalization
- Adequate testing or sophisticated industry data
- Distribution at all levels
- Price parity with non-biobased products
- Affordable first or second stage materials locally available
- Marketing and sales skills and talents
- Significant market presence
- Consumer education
- Government support for domestic and export sales

# BMA Action Plan

- A **BMA** web site linking the consumer to the individual manufacturers.
- Cultivate relationships between manufacturers and distributors, wholesalers, agents, brokerages, commodity houses consumers, retailers, resellers etc.
- Promote demand for biobased products by educating the public, industry, government, and commercial customers about the available biobased alternatives, their affordability, and the favorable differences with non-biobased products.

# BMA Action Plan

- Investigate new markets opportunities and help facilitate product development.
- Help to establish new quality control standards.
- Create manufacturing cooperatives to improve the supply of biobased materials and improve manufacturing economies.
- Work with trade associations to find new economies in commodity materials development funded by long term cooperative financial programs.

## **BMA Action Plan**

- Promote the **BIOBASED™** image as complying with the performance standards of the *BMA* to help reinforce consumer confidence in biobased goods.
- Attempt to gain government tax relief for consumer biobased purchasing.
- Promote the **BIOBASED™** trade fair.
- Reward Biobased Manufacturing excellence, new product development and substantial market success in traditional non-biobased product areas.

# **BMA Member Services**

- Monthly online newsletter with proactive response page.
- Listing by membership category with link to member's own page.
- Annual "connection" service linking products by category to customer inquiries.
- Access to auctions.



# **BMA Member Services**

- Promotion and sales transaction services.
- Access to product educational information including descriptions, specifications, recent trading prices and seller key information.
- BMA Marketing materials including video and print media.
- Capitalization assistance

# An Internet Based Association

We plan to accomplish most association activity via the Internet: Web, chat, email, etc.

- Informational overview
- Activity categories with member listings and links
- Universal biobased database, definitions, resource guide and technology discussions
- Membership directory
- BMA policies and operational program
- Resource links and problem solving page
- Live auction (similar to e-Bay)

# An Internet Based Association

- Interactive chat room
- Price history and market price trends
- Technology news and media guide
- NUC interface for technology transfer, funding resources and project development
- Membership application
- Member product announcements
- Market newsletter, presidents monthly letter to members
- Product photo library
- Advertising section

## An Internet Based Association

- Partnership forum
- BMA/BIO/NUC forum (internal only)
- Cooperative buying program
- Certification and quality control program

# Proposed Dues Structure

## Biobased Manufacturers:

|                                |              |
|--------------------------------|--------------|
| earning less than \$1 million, | \$ 200/annum |
| \$1 million - \$5 million,     | \$ 350       |
| greater than \$5 million       | \$ 500       |

Associated Manufacturing Members \$ 300

Individual Members \$ 200

Trade Organizations, Commodity Producers  
& Government \$ 300

Educational Organizations \$ 150

# Board of Directors



|                |                                   |
|----------------|-----------------------------------|
| John Campen    | United Soybean Board              |
| Richard Glass  | National Corn Growers Association |
| Brian McLeod   | Panel Source International        |
| Philip Bibeau  | Wood Products Mfg's Association   |
| Thomas Rynsza  | Vision Paper                      |
| Hugh McKee     | FlaxCraft                         |
| Robert Harris  | Public Power Institute/TVA        |
| Jim Conway     | Griffin Industries                |
| Stan Napier    | NAPTEC                            |
| Michael Kossey | USDA                              |
| Peter Nelson   | AgroTech Communications, Inc.     |
| Kim Kristoff   | GEMTEK Products                   |

# What Can Government Do to Help the Biobased Industry?

- **Government Statistical Data** on biomass and biobased products. At this time, no government Agency is compiling such information.
- **Federal assistance** to stimulate the inclusion of biobased materials into all sectors of federal supply.
- **Federal mandate** favoring the use of biobased materials.

# What Can Government Do to Help the Biobased Industry?

- **Consumer awareness** of biobased products and where to buy them.
- **Increased direct federal assistance** to biobased manufacturers in the form of developmental grants and low interest loans.
- **Cooperative buying and selling markets** such as the major commodity trading centers (Chicago Board of Trade).



# What Can Government Do to Help the Biobased Industry?

**And last, but not least:**

- **Tax relief** to biobased manufacturers, manufacturers who change from synthetics and petroleum based sourcing, and biobased consumers in order to stimulate biobased market growth.

## **We are:**

- A single voice to represent biobased products to government and the private sector
- A source of collective buying and selling
- A national standards credential service
- A national information clearing house and internet portal
- A media relations voice