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Tradetalk

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ISSUE NO. 6 SPRING 2001

TR Int'l signs Ed Baker in free agent draft!

Welcome Back

Thanks for picking up our 6th edition of TradeTalk. We have a lot of fun doing it, and as always we hope you can learn a little more about TR International.

Products

The following is a list of our strongest products.

Benzyl Alcohol
Boric Acid
Caustic Soda, Flakes
Citric Acid
DiPropylene Glycol
Epichlorohydrin
Epoxy Resins
Fumaric Acid
Glycerine
Glycol Ethers
Hydrocarbon Resins
Maleic Anhydride
nMP
NP 9.5 mol
Pentaerythritol
Propionic Acid
Propylene Glycol
TDI 80/20
Tetrahydrofuran (THF)
Titanium Dioxide



"Team TRI" before the recent signing of Mr. Ed Baker. From left, TR, Rowland, Rich, Paul and Sam. Please note that Ms. Nelia Mucatel was out of the country.

Quake

Well, we're still here... Rowland and TR were out of the office (just imagine - they were making sales calls), but it was a doozy. There's plenty of plaster off the walls in the office to prove that. We lost a little downtime that afternoon and most of the next day (TR was the most tired after WALKING up the 21 flights of stairs to reach our offices ☺), but everyone was OK. Thanks very much to all the people who called in very concerned.

TR - NACD Region 1 President

After the most recent National Association of Chemical Distributors (NACD) Annual Meeting, TR was elected as president of Region 1 of the NACD. He has already been to three Board meetings and each time comes back with new ideas and knowledge of the chemical distribution business. NACD has been a great organization for TR International - it helps us resolve issues in insurance, handling, operations, general

business...and it's not too painful having meetings in Hawaii and Palm Springs every year!! Tony feels a great deal of responsibility assisting the leadership in steering the future of the chemical distribution industry. Thanks to all those who showed confidence in Tony - he is honored by it.

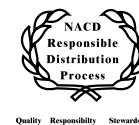
More People Moves

As always, TRI is on the move...Of particular note is the addition of **Mr. Ed Baker** in Houston. We all call him 'Mister', he deserves it. Ed comes to us directly from IPEX International, after having worked for many years at SouthWest Solvents & Chemicals, and Harcros. He has already proven to be a very formidable part of the team and shares his knowledge every day. We appreciate Ed coming to join us.

Please see 'cover story' on page three

TR INTERNATIONAL IS A CHEMICAL DISTRIBUTOR
AND INTERNATIONAL TRADING COMPANY.

We provide industry with cost-effective raw materials and solutions to sourcing difficulties. Through our extensive, well established international supply channels, and experienced logistics and warehouse staff, we meet our customers specific needs and delivery requirements anywhere in the world.



Featured Employees

This section is usually dedicated to just one employee. This TradeTalk we would like to introduce everyone to our Houston office. Houston is a rapidly growing office and we are looking forward to the great things they will be doing for the company and our customers.

Paul Montealegre has been working for TRI since June of 1999. Paul brings an unparalleled energy to his job as Regional Sales Manager. He is always working to bring his customers the best possible product and service. Paul was recently married to Juliana, who sells real estate in Houston (sounds like Rowland, huh?). Unlike Rowland, Paul does not have a child on the way...or at least he hasn't told us about one yet.

Ed Baker is the newest addition to the Houston office. Ed was most recently with Southwest Solvents & Chemicals, heading up their food industry sales. Ed will help TRI develop business with some of the imported materials that we are handling, and also explore potential new vendor relationships for TRI. We are extremely pleased to have him with us.

Lynne Cantrell has been working for TRI in Houston for over six months. Lynne is responsible for inside sales for the Houston branch. Lynne has a son, Travis, that is the apple of her eye. Lynne also brings a bundle of energy to her job and we are grateful for her being there to help Paul and Ed with operations.

Collin Butcher has been assisting the Houston office with sales leads and general administrative work. We are very pleased with his progress as a rookie to the chemical industry, and are looking to him to develop into a great asset for both TRI and our customers.

The Houston office is soon to be moving into larger offices, most likely in mid-April. The address will stay the same, but the new suite number is 320. Please give them a ring at (713) 784-9922 with any inquiries that you may have. They will be pleased to assist you in any way.

Q2 – Market Trends

Welcome to the 3rd millennium! The chemical industry has had an interesting beginning of the year. While the pundits discuss the slowing of the U.S. economy, many people that we have talked to had a great first quarter. Even though February was a slower month for many people, it generally was better than last year. As we go to publication, business has cooled as many companies try to find the truth in April 1 price increases.

Energy costs have put a crimp in many company's profits, but we have seen a rise in pricing for many products. In the end, though, supply and demand will have a greater impact on prices than producer costs. For example, Ethylene Glycol was supposed to go up by \$0.05/lb on Feb. 1, but demand did not go along with the price increase so most suppliers were selling material at the January numbers by mid-February. As we begin Q2, pricing still remains soft for EG. Maleic Anhydride price increases held a little longer, but we are finally seeing some relief from Asian producers on their price increases of Q4 2000.

Propylene Glycol has had an interesting beginning of the year due to production problems at a major U.S. manufacturer. Inventories have gotten to some very low levels, but now that everyone is back on line and paid back the expectation is for product to return to normal quickly. Domestic producers announced \$0.04/lb price increases for April 1st, but we are skeptical whether they will be able to keep this one on the table. While the price has held so far, the general consensus is that this price will roll back. We are

surprised, though, that it has held on this long. As always, PG is a mainstay for TRI and we would be pleased to assist in your sourcing needs.

Glycerine has gotten pretty strange as the year has progressed. Bulk USP pricing has been steadily slipping for the past 4 months and imported Kosher drums have taken a steep decline in the past three weeks. We have seen a 20% reduction in cost very quickly. The oversupply in Asia that we have been hearing about for a few months is finally hitting the beach. This will create even greater pressure on domestic material in the months to come. Please call us to take advantage on a uniquely weak market.

Citric Acid pricing seems to have held firm throughout this process. Chinese material dropped in price Q4, but now prices are holding and are likely to remain at current levels throughout the summer. TRI currently holds stock in Houston, NY, LA and St. Louis.

European imports are still a good buy. The US dollar has lost some ground, but it stopped its drop and has been holding steady for the last 4 weeks. Please do not hesitate to contact us about any item that we import from Europe or could source for you specifically.

Overall, we are very pleased with the beginning of the year and look forward to a steady increase in business throughout 2001. All indications are for continued growth in the year to come. We at TRI would be pleased to assist you in any way and look forward to working with you all this year.

'cover' continued from page one

VWR helped train a valuable operations person in **Regina Carter** who comes to us after 10 years with Van Waters. She has added a great experience level and taught us a lot. Being on the West Coast (i.e. 3 hours behind NY, and 2 behind Houston), Gina takes the 'early' shift – so if you call early you'll have the pleasure of talking to her. Gina is one of our 'CSR's' (see below)...

Kara Smith was promoted from executive assistant to Comptroller, and her work ethic and organizational skills have already put her performance well above anyone's expectations – including hers. It's great to see a success story like Kara.

Collin Butcher is taking over a CSR role in Houston. At a relatively young age, Collin has shown a great deal of maturity in handling many of the daily operational tasks in the Houston office.

CSR (Customer Service Rep)

TRI's personnel 'structure', finally has some structure. Collectively, we put in our ideas on how to run the company better and came up with our own CSR system. Gina and **Bareq Peshtaz** fill the CSR roles, which provide a dedicated accounting and logistics package for each salesman. Gina handles Rowland, Nelia and **Rich Mac** in New Jersey; and Bareq gets the pleasure of handling TR, Sam King and the entire Houston office (look out with Ed Baker on board!!). **Narady Chea** oversees the CSR's and handles all of our imports. **Brian Gorzoch** continues to run our systems and samples. We would be lost without him.

Chempax

In addition to the CSR system, we decided we have outgrown our current systems of Quickbooks and Access. We have committed to using, and are now implementing, the Chempax VB logistics system produced by Datacor. We are looking forward to being able to provide even more outstanding customer service by utilizing Chempax.

Houston Move

Our 'featured employees' this month are the entire Houston office...they are celebrating continued success with a move into a larger suite in the same office building. Knowing Paul, Lynne and Ed, we imagine there is a big party coming. Stay in touch. Congratulations Houston...

So, it's been a busy time for us...we are looking forward to the future (and of course our annual fishing trip to British Columbia – call now to find out about it!). Thanks for reading this far – and as always, we thank you for the business you do with TR International, Inc.

P.S. And just remember, "EB" stands for **Ed Baker!!**

Featured Product Lotus Titanium Dioxide

TRInternational, Inc. is pleased to announce a new product offering. We have been provided access and sole U.S. distribution of "LOTUS" Titanium Dioxide. Sold throughout Asia for the last fifteen years, LOTUS has proven to be reliable and effective product for its users.

LOTUS is a transition grade Titanium Dioxide. Treatment continuously varies from lot to lot. What does not vary is the consistent quality, whiteness and purity of the material. Produced in Japan, LOTUS has been found to be very effective in plastics, primers and road-marking paints.

It is imperative that the consumer tests our material before application. Once they have seen the quality and approved it for selected applications, everyone has been extremely pleased with the quality and packing.

Specifications are as follows:

Appearance:	White Powder
TiO2 content:	97.0% minimum
PH:	6.5-8
Oil Absorption, g/100gm:	26 maximum
45 µm Mesh Residual % (m/m):	0.10 maximum
Volatile matter at 105 deg. C % (m/m):	0.5 maximum
Specific Gravity:	3.8 - 4.2

If you have interest in LOTUS Titanium Dioxide, please do not hesitate to contact us at your earliest convenience. Again, for certain applications this will be a great product and we look forward to working with you on getting the material approved.

What is the NACD and what is RDP?

TRI is an active member of the **National Association of Chemical Distributors (NACD)**. The NACD is an association of chemical distributor companies that purchase and take title of chemical products from manufacturers. Member companies process, formulate, blend, re-package, warehouse, transport, and market these chemicals.

All NACD members are committed to product stewardship and responsible distribution in every phase of chemical storage, handling, transportation, and disposal. The NACD requires members to be certified that they meet the standards of the **Responsible Distribution Process (RDP)**. The RDP seeks to continuously improve performance in protecting health, safety, and the environment.

The RDP verifies that NACD members have policies and procedures in place for the responsible management of chemical products. This is certified by a third party who reviews documentation and performs an on-site audit.

Several of TR International's freight and warehouse vendors are regularly asked to provide additional information and undertake site audits as part of TRI's commitment to the RDP policies and procedures. We extend our gratitude to those vendors who regularly co-operate with us, to allow us to meet these stringent standards.

TRI's President, Anthony Ridnell, recently took a place on the NACD's Board of Directors, serving as President of western Region 1. If you would like any further information about the "RDP", please do not hesitate to contact **Sam King**, TRI's RDP co-ordinator.



Our amazing staff in Houston!
From left, Collin, Lynne, Paul and Ed.



Mr. Montealegre



Rich Mac working the phones on a recent visit to the Seattle office.



TR's "unique" bowling style at TRInternational's annual Christmas bowling tournament

