Attachment #2

# THERMINOL

## THE MARKET SITUATION

### 1. Market Size

The market is the efficient transmission of heat necessary for personal comfort or for the production of goods.

Our Therminol products are a series of fluids with wide functional properties and price options. Our franchise, beginning with FR fluids, has been expanded to cover the market needs in a broad spectrum of cost performance.

Therminol is used as a liquid in heat transfer systems (like hot water) to transfer heat from the burner and fuel source to a use point.

Examples: Radiator or fan coil for space heating
Reactors for polyester or alkyd resins

The domestic market for fluids is estimated as follows:

| | 1969 | 1974 |
|---|---|---|
| Dowtherm A | $6.4M | $ 9.0M |
| Petro. Oil | 2.0 | 2.8 |
| Therminol | 1.0 | 3.8 |
| Other | 0.5 | 0.7 |
| TOTAL | $9.9M | $16.3M (7%/year) |

The sale of fluid is generally tied to a capital project. Consequently, the actual sale may be 6 months to 2 years in the future. These prospects must be identified in the planning and design stage.

### 2. Competition

The companies and products which satisfy the same market needs are:

a. Dowtherm A, and its ex-U.S. equivalents; a biphenyl/biphenyl oxide mixture which has been in broad use for thirty-five years.

b. Certain petroleum oils, particularly those supplied by Mobil and Humble, which have been used for fifteen to twenty years.

c. Steam and water, which is the accepted standard up to about 350°F, particularly in space heating applications.



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