



## PCI Talks With SONGWON

SONGWON Industrial Co. Ltd., a company that has historically produced polymer stabilizers, unveiled in 2016 a new image as a global specialty chemicals company and entered into new markets, including coatings. **PCI** recently spoke with Rosanna Telesca, Leader of the Market Center Coatings, SONGWON Industrial Group.

**PCI:** What fueled the company's move into specialty chemicals after primarily being involved in the polymer industry?

**Telesca:** After becoming a global leader in additives and products for the polymer industry, SONGWON was looking at other markets where the company could expand and reproduce the success story of the last 50 years. It was more or less a one-year process of internal discussion and strategy design that brought us to the conclusion to enter into markets like coatings and electronics to expand our customer base, and boost sustainable and profitable growth. This ultimately meant analyzing those markets in detail, mapping out and determining SONGWON internal capabilities related to innovation and R&D, addressing portfolio management and supply chain, and designing new product offerings made of specialty chemical products. Ultimately, the goal is to become the partner of choice for tailor-made solutions, formulations and specialty products – all driven by application and technology know-how.



Rosanna Telesca

**PCI:** Have there been challenges with this transition?

**Telesca:** Every expansion into new areas and markets, and transition into a new business model, brings challenges. We had to challenge the existing mind-set, we had to rethink internal processes and redefine roles to adapt to new realities, and ultimately think of a new portfolio to respond to the needs of new customers and different markets. We have to also work with a dedicated sales force with expertise in applications and technologies. When you want to make a change in your business model, you need passion, entrepreneurship, credibility, accessibility and expertise.

**PCI:** What is the company's outlook on the specialty chemicals market? What do you see driving growth? What challenges is the market facing?

**Telesca:** It is obvious that the specialty chemicals sector in the last five to eight years has been somewhat challenged. The sector has been increasingly commoditized due to the growing number of competitors, which means margin erosions and a big focus on cutting costs, especially in R&D. We foresee that a bigger focus will be put on creating new molecules that can provide a bigger benefit to the customer, and greater focus will be put on tailor-made formulations and solutions created for customers, according to their requirements and needs. This involves understanding the applications and technologies, as well as developing partnerships with customers. Most needs will come from efficiency- and cost reduction-related drivers, as well as the drive towards more sustainable and environmentally friendly solutions.