



DuPont Fluoroproducts

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DuPont Fire Extinguishants FM-200[®] Allocation Program

Throughout 2010 the worldwide Fluorochemical industry has been experiencing strong market demand combined with a very tight raw material situation. Until late into 2010 the supply of Fire Extinguishant (FE) products had been largely unaffected but the continued strong market climate for our DuPont FE products and other external factors have very rapidly put a strain on meeting product demand through year end 2010 and on into 2011.

Major drivers for this limitation are availability of fluorspar, a key raw material for fluorochemicals, which continues to be constrained globally. Additionally, demand for hexafluoropropylene (HFP) in new and existing applications continues to grow, placing ongoing pressure on a limited global supply. Global HFP supply was further impacted by an explosion earlier this summer suffered by a Chinese plant in the production chain. These product pressures are resulting in higher product cost and for some shipments longer lead times.

Current DuPont production plans indicate that available quantities of FM-200[®] in 2011 will be slightly less than what was available from DuPont in 2010 and may well result in potential spot shortages in specific packages or regions. At this time, DuPont is allocating available production to our primary FE Operating Regions; Asia Pacific, Americas, and EMEA, based upon historical customer requirements.

The raw material shortage is expected to continue at least through the balance of 2011 and product costs remain difficult to predict while feedstock remains in short supply. Price adjustments valid from 1st January 2011 have been communicated to our customers and we are working diligently to uncover and source additional material resources to improve our supply position and product shipments. These efforts, along with a fair and equitable allocation of production, should assist in reducing the impact of this current shortage to DuPont's fire suppression customers.

Through the recent worldwide economic slowdown, global demand for DuPont[™] FE Fire Extinguishing Agents has steadily grown and even under the current allocation limits, FM-200[®] will still protect more critical facilities from fire than any other clean agent fire suppression technology currently available. DuPont remains committed to offering the fire protection community safe, efficient, cost-effective clean agent fire extinguishants and FM-200[®] remains a key component of our product offering, today and for the future.

To learn more about DuPont[™] FE Fire Extinguishing Agents, visit cleanagents.dupont.com or call 1-800-473-7790.