

October 2016

R-M[®] NEWS ASIA PACIFIC



Winners of the International Best Painter Contest 2016 announced

Welcome BASF Coatings (Guangdong) Co., Ltd!

R-M paints 'The Mind's Eye'

The Winners



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EDITORIAL

Dear readers,

All over the region, our team and our partners have been busy getting the R-M messages of quality, productivity, innovation and sustainability out to the wider public. We have just had the most passionate and creative summer ever with exciting competitions, new partnerships and the display of unique works of art using R-M paint.

One exciting piece of news happened at the International Best Painter contest, which wrapped up in September. Our painter from Japan won 2nd place in the overall final. Also in September, we officially welcomed BASF Coatings (Guangdong) Co., Ltd to the BASF family.

On the creative front, our R-M painters have shown the world their creative side with Honda's commissioning of the "Sonic" Civic featuring the character Sonic the Hedgehog. Meanwhile, in Beijing a beautiful piece of sculpture entitled "The Mind's Eye" where R-M paint was selected for its brilliant artistic effects.

R-M is also busy helping our partners grow. In this issue you can read how public listed company, Samwha, our distributor in Korea, and their dealer, Bosung Chemical, paint the future with R-M waterborne – a journey that started two years ago. As well, we were pleased to host some of the management from MT Paints Chemical Production of Vietnam at the R-M Regional Competence Center in Clermont, France.

As we move into the last quarter of the year, we hope to bring you even more exciting news items to light the way for R-M in 2017.

R-M Asia Pacific management team



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WELCOME BASF COATINGS (GUANGDONG) CO., LTD!



With BASF's acquisition of the assets of Guangdong Yinfan Chemistry Co., Ltd ("Yinfan") in China now complete, a new legal entity named "BASF Coatings (Guangdong) Co., Ltd" has been established in Jiangmen, Guangdong province, to take over and further develop Yinfan's automotive refinish coatings business. The acquisition enables BASF's Coatings division to broaden its automotive refinish portfolio in Asia Pacific with the addition of the Yinfan line of products to its successful global brands that include Glasurit®, R-M®, baslac® and NORBIN®.

"Together with the Yinfan team, we have started the integration process," said Peter Fischer, Senior Vice President, Coatings Solutions Asia Pacific. "Our approach is very customer- and employee-focused, with the goals of ensuring business continuity and making Yinfan an integral part of BASF, leveraging the technology, product portfolio and unique industry expertise of both companies."

HONDA'S SONIC CIVIC GETS THE R-M® TREATMENT



To commemorate the 25th anniversary of Sega's videogame franchise, Sonic the Hedgehog, Honda has created the "Sonic" Civic. With the game's iconic images seeming to come alive against the background of BASF's R-M Candy Blue paint, we're sure this Civic is going to be the center of attention wherever it goes. Bravo to the R-M coatings team for their creativity and quality work!

PAINTING THE MIND'S EYE WITH R-M®



Dachang Film and Media Industrial Park in Langfang City near Beijing earlier installed a unique sculpture on its property entitled "The Mind's Eye". Created by Baigonghezhi (Beijing) Architectural Design Co., Ltd, the sculpture required a special coating in order to invoke the image of a mind's eye. R-M® Basecoat Carizzma and R-M Clear Coat Startop HS were selected as the winning combination.

After several rounds of testing, the designers found that Carizzma fully met their design concept with good painting quality, allowing for a brilliant artistic effect on the sculpture surface.

The project was managed by Beijing landscape sculpture company God Asia Engineering Co., Ltd. Thanks to our R-M dealer, King-T Trading Co., Ltd, for being a part of this exciting art installation!

PAINTER FROM JAPAN WINS SECOND PRIZE AT THE INTERNATIONAL BEST PAINTER CONTEST 2016

The winners of the 12th International R-M Best Painter Contest (BPC) were recently announced. Congratulations to Berry Kooijman from Netherlands, this year's R-M BPC winner! Joining Berry in the winner's circle was runner-up Genya Yokota from Japan. Myles Veljacic from Canada took third place.

Finalists from 12 countries in Europe plus one each from South Africa, Japan and Canada came together at the International R-M Refinish Competence Center in Clermont de L'oise, France, to demonstrate their commitment to representing the business with both top-level expertise, and innovative and sustainable thinking.

Mr. Genya Yokota from Avance Techno Service regained glory for Japan with his second place finish. The contest both challenges young painters' creativity and skills using R-M's ONYX HD waterborne paint for automotive refinishing and promotes career development of painting talent in the automotive industry. This is the third time since 2010 that Japan has participated in the contest. In 2010, Japan won grand prize.

"I am thrilled that all of my effort and training has paid off," said Mr. Yokota. "I want to make the best out of this experience for the future. In Japan, the automotive refinish business is becoming more and more professional. I will continue to be very committed to improving my skills and devoting myself to the service of my customers."



"We are thrilled that a Japanese painter has won second prize, and that his talents have been recognized on the world stage," said Jean-Paul Lacombe, Senior Manager from Automotive Refinish Department, Coating Division, BASF Japan Ltd. "This is exciting news and it sends a clear signal to the industry that our Japanese painters are highly skilled. We also believe that through this event, we can increase the industry's awareness of sustainable car repair processes, develop young talent for the industry, and elevate the professional and social status of automotive refinish painters."



Mr Nobuhiro Nagatsuka, the grand winner of 2010 International R-M Best Painter Contest from Honda Body Service Tochigi, Japan. "It was a great opportunity to experience a global competition on this level, and to realize the level of painting skills and techniques used in our daily work life to serve customers was already of a very high standard. The technical support from BASF has always been very reassuring to sustain and support the quality and development of my work," reflects Mr Nagtsuka, previously a painter whom has since moved into the Repairs department for the company.

The International R-M Best Painter Contest is held biennially for painters under 30 years old with an aim to develop young talent through a competition on technical painting skills using ONYX HD. During the three-day competition, they were tasked with a wide range of demanding technical skill tests: preparation, blending, color retrieval, color reading, masking, paint-related product knowledge, and health & safety.



SAMWHA AND BOSUNG CHEMICALS PAINT THE FUTURE WITH R-M® ONYX HD

Publicly listed paint manufacturer, Samwha Paint Industry Co., R-M's direct importer in Korea, has been working with R-M since 2001. This year, Samwha stepped up its plan by targeting new dealers in the market and converting them to R-M customers. This focused market strategy has seen more than 20 bodyshops switch from competitor products to R-M within the last two years.

To keep its strategy on track, Samwha is working closely with its dealer network to deliver the total R-M package that satisfies the requirements of the bodyshop painters: using high quality products that offer easier application, better covering power, higher gloss and outstanding finish. Overall processes become more efficient with faster drying times. Improved environmental compatibility has been the standard set by R-M through its waterborne solutions.

Samwha's dealer, Bosung Chemicals, became an R-M customer two years ago at a time when the market relied heavily on ready-mix paint formulas mainly from local brands. In a move to build trust with new customers, Bosung has created a team of



dedicated technical service managers to provide support at the bodyshop level.

"Competition is fierce, and the market is changing," said Mr. Dong Su Kim, President, Bosung Chemical. "We see the market

turning from ready-mix solutions to waterborne-based mixing systems. With R-M ONYX HD waterborne refinish paint solutions, we will focus on this opportunity."



MT Paint Management Visits RCC in Clermont

Nguyen Xuan Manh, director of MT Paint Chemical Production and Trading Co., Ltd., and his team recently paid a visit to R-M headquarters and Regional Competence Center in Clermont, France. The company has been BASF's exclusive importer for R-M products in Vietnam since 2008. The team, who attended a two-day, specially-tailored program designed to fit their business requirements, was given an overview of R-M philosophy, our training concepts and spot repair demonstrations. A trip to the R-M paint factory was also arranged as well as a few days to wind down in Paris before making the journey back home.

JOINT STUDY BY BASF AND TONGJI UNIVERSITY REVEALS POST - 95s IN CHINA LOVE BLACK

A new study by BASF and Tongji University College of Design and Innovation in Shanghai shows that "black is the new black" among millennials in China. The study, which surveyed 100 Tongji University students who were born after 1995, focused on lifestyle, color and car preferences, all of which are important trend indicators for the automotive industry. The findings will be further analyzed and incorporated into BASF's annual color trend forecasts.

"China is an important retail market for the automotive industry, and the study can offer insights into local preferences for cars and automotive color design in the context of

Chinese ideology and values," explained Chiharu Matsuhara, Chief Color Designer at BASF's Coatings division in Asia Pacific.

"The students in this research sample represent tomorrow's middle class in China: well-educated, with mature minds and strong cultural awareness who will shape the future consumer landscape," said Wenqing Yang, associate professor, College of Design and Innovation, Tongji University. "If we understand their lifestyle and their preferences for cars and colors, we can predict their consumer preferences and the behaviors that will impact upcoming automotive trends."



Key findings

- "Black is the new black", representing low-key, chic, calm and stylish attitudes
- "Eco" cars (electric or hybrid vehicles) gaining in popularity
- Environmental protection when making car purchase decisions increasing in value



BASF
We create chemistry



R-M® KIDS' FACTORY MAKES TWO STOPS

The R-M Kids' Factory held two very successful events in Japan in August. Kids' Factory lets our customers of R-M ONYX HD waterborne paint systems host an event that gives children the opportunity to experience being a bodyshop painter for the day.



The Kids' Factory at Netz Toyota Saitama on August 21



Kids mixing watercolors at the event hosted by BMW authorized bodyshop, EPM Car Exterior, on August 7

BASF EXPANDS AUTOMOTIVE COATINGS PRODUCTION IN THAILAND

BASF will strengthen local production capability for its waterborne and solventborne coatings in Thailand by building a new manufacturing facility at its Bangpoo site. Production is expected to begin during the second half of 2017.

The new facility complements those at the new Coatings Technical Competence Center ASEAN, which opened in September 2015, and includes a laboratory for product development, performance testing, color design, as well as a small batch production unit. The expansion will better serve the strong demand from the expanding automotive industry in the ASEAN region.

R-M SHARES BASF KIDS' LABS' PASSION FOR CHEMISTRY

The BASF Kids' Lab was back in action in August showing kids how chemistry is everywhere in their daily lives. This year's event was held at the Chinese University of Hong Kong (CUHK) with different hands-on experiments for kids aged between 6 and 12 years old. Constantine Nip, Market Intelligence Manager, Automotive Refinish Coatings Solutions, Asia Pacific was invited to host a parents' session to share our vision and the benefits from our R-M eco-friendly waterborne paint innovations towards the environment, and how our innovations and actions are helping to make a better impact for our next generation.

Our Refinish Competency Centres (RCC) in Asia Pacific:

BASF has established more than 70 RCCs around the world and more than 20 RCCs in Asia Pacific, serving the automotive refinish coatings industry and attracting the best young talents into the collision repair business. Last year, around 20 000 professionals were trained worldwide and over 3,500 in Asia Pacific.



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R-M is a brand of BASF Coatings GmbH
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