



# Strategic Raw Material (Acetylene) Supply Assessment

<b>Client</b>	A leading global specialty chemical company
<b>Industry</b>	Chemicals
<b>Products</b>	Acetylene

## Background

- The client's strategic procurement team sought insights into local acetylene market, its availability and supply security to formulate its procurement strategy.

## Key Business Questions

- If not active in bulk business, what is potential interest of such business structures? What are capacity expansion plans of existing businesses?
- What is the feed of produced acetylene? What's the market for calcium carbide and trends?
- If bulk business is in place or potentially accessible, which mode of transportation would be used / possible / recommended (pipeline / truck / other)?
- What are market prices of acetylene and differences regarding production processes and logistics?
- What are legal framework requirements for transportation of acetylene by road?

## Engagement Scope

### 1 Acetylene Market Structure & Overview

- What is the market structure?, what are the various production processes? and what are the key raw materials of acetylene?
- How big is the acetylene market & its segmentation by region?
- What is the acetylene production cost structure and regulatory framework for transportation?

### 2 Relevant Acetylene Manufacturer Identification & Qualification

- What is the universe of acetylene manufacturers'?
- Who are the relevant acetylene manufacturers based on captive / merchant sales ratio, proximity to the client's plant location and production capacity?

### 3 Balanced Scorecard to Identify Suitable Partner

- To do due-diligence on shortlisted acetylene manufacturers focusing on their capabilities to supply sustainably the required grade and quantity of acetylene.
- To design a balanced scorecard to cull most suitable acetylene manufacturers..

## Research Methodology

### Secondary Research

- Conducted desk research studying company website, annual reports, press releases, etc.
- Referred paid data sources such as market research reports, association reports, etc.

### Primary Research

- 30+** interviews with senior executives from various functions across major acetylene manufacturers as well as consultation with frontline industry experts.

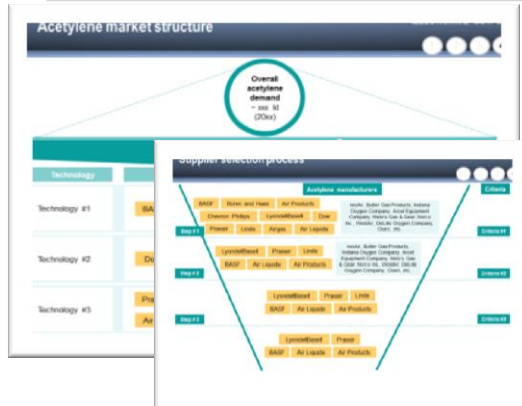
## Benefits to Client

- Identified 3 potential strategic partners that met the client's specific requirements.
- Provided cost-benefit metrics of offerings from these identified partners to aid in final decision making.
- FutureBridge value-add: FutureBridge in consultation with the client went a step ahead to explore with identified partners whether they were willing to set up and operate customized acetylene plant in or near the client's plant location, and if yes what would be CAPEX requirements >> 2 partners agreed to collaborate with the client.

## Sample Analysis

1

### Mechanical Rubber Goods: Product-Application Matrix



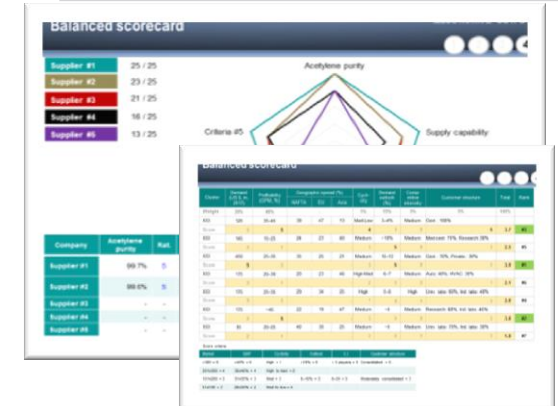
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### Market Sizing & Segmentation



3

### Opportunity Matrix Through Criticality Analysis



# Thank you

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