

## Chemical and Plastics Industries

### Summary

#### Chemical

- Chemical manufacturing contributed \$1.5 billion to Alabama's \$122.7 billion Real Gross State Product in 2004.
- Chemical manufacturing exports from Alabama were valued at \$1.7 billion in 2004. The industry is the second largest exporter in the state.
- Real output grew 1.8 percent in 2004 to \$1.6 billion, but employment fell 2.1 percent.

#### Plastics

- Plastic and rubber products manufacturing contributed \$1.7 billion to Alabama's \$122.7 billion Real Gross State Product in 2004.
- Plastic and rubber products exports were valued at \$222 million in 2004.
- The industry produced real output valued at \$950 million in 2004, up 1.5 percent. Employment increased due to strong automobile sales.

### Employment

- Chemical industry employment was 9,863 in 2004.
- Employment within the plastics industry was 14,122 in 2004.
- The 2004 average weekly wage in chemical manufacturing was \$1,238 and \$788 for plastics/rubber manufacturing.

### Outlook/Trends

- An improving global economy and a weak U.S. dollar bode well for chemicals in 2005. Output is expected to increase by 2.7 percent, but employment should remain flat. Healthcare related products will remain one of the strongest segments in the industry.
- In 2005 output is estimated to grow 1.7 percent with tire production rising 2.1 percent and plastic products rising 3.4 percent. Payroll employment is forecasted to increase by 2.4 percent.

**Overview-** *Southern Business and Development* magazine has three times in a row named Alabama "State of Year" most recently in 2005, based on its record of job growth and economic development. Growth in the automotive industry is only one example of Alabama's successful corporate investments. The state has long been home to many world class companies including Mercedes, Wellborn Cabinets, Honda, 3M, Boeing and more recently EADS, Toyota and Hyundai.

Alabama has recorded strong economic growth numbers. Its economic cycles have mirrored those of the United States, though on a more moderate scale. Manufacturing is at the center of the Alabama economy. The manufacturing sector accounts for almost 20 percent of the gross state product and 16 percent of the state's nonagricultural employment. A major contributor to the state's success is the Alabama Industrial Development Training, the state's workforce training program ranked #1 in the nation by *Site Selection* in 2004 helps to train a capable workforce for new and expanding companies.

Alabama is a state with great economic growth. The state's pro-business climate allows its corporate citizens to grow, prosper and profit. At the center of the United States' fastest growing, most populous region, and with 11 metropolitan areas and a variety of industry sectors, Alabama's economy is characterized by great diversity and a bright future for success.

## An Alabama Industry Profile

### Select Announced Projects 00-05

Company	County	Product	Investment (Millions)
<b>2005</b>			
Lakeshore Biomaterials	Jefferson	Biodegradable polymers	NA (New Project)
LoneStar Plastics	Autauga	Polyethylene film products including plastic bags, box liners and other forms of flexible packaging materials	\$16.0 (New Project)
<b>2004</b>			
Degussa	Mobile	Chemicals	\$13.0 (Expansion)
Kohler Company	Madison	Plastic plumbing fixtures	\$45.8 (Expansion)
Polymer Industries	Jackson	Industrial plastic parts	\$2.8 (Expansion)
Graham Packaging	Montgomery	Plastic containers	\$8.0 (Expansion)
Capitol Vial	Lee	Injection molded plastics	\$10.0 (Expansion)
Renosol Corporation	Dallas	Polyurethane seating	\$9 (New Project)
<b>2003</b>			
Polymer Industries	Jackson	Industrial plastics	\$3.0 (Expansion)
Pro-Cell	Baldwin	Extruded vinyl lumber products	\$6.0 (New Project)
CV Holdings	Lee	Medical and consumer containers	\$49.0 (New Project)
<b>2002</b>			
Elk Corporation of Alabama	Tuscaloosa	Synthetic roofing products	\$77 (Expansion)
Plastipak Packaging, Inc.	Jefferson	Plastic containers	\$30 (New Project)
<b>2001</b>			
JVC America Inc.	Tuscaloosa	Polyurethane Compact Discs/Cassette Tapes and DVD Products	\$12.5 (Expansion)
Nova Chemicals	Morgan	Polystyrene	\$6.5 (Expansion)
<b>2000</b>			
GE Plastics	Lowndes	Polycarbonate Resin	\$185 (Expansion)
OCI Chemical Corporation	Morgan	Sodium Percarbonate	\$35 (New Project)

# An Alabama Industry Profile

## Top Employers (100 or More Employees)

### Chemical

- Advanced Systems Technologies
- Akzo Nobel
- Arkema Inc
- BASF Corp
- Beaulieu of America LLC
- Benjamin Moore & Co
- BP Decatur Works
- Cherokee Nitrogen Co
- Ciba Specialty Chemicals Corp
- Cytec Industries Inc
- Degussa-Huls Corp
- Engelhard Corp
- Ineos Phenol
- Kinpak Inc
- Mobile Paint Manufacturing Co
- Occidental Chemical Corp
- Olin Corp
- Pursell Technologies Inc
- RadiciSpandex Corp
- Solutia Inc
- Syngenta
- UOP LLC
- US Amines
- Vulcan Materials Co

### Plastics/Rubber

- 3M
- Ace Products Inc
- Alatech Health Care LLC
- Arkay Plastics of Alabama Inc
- Atrion Medical Products
- BF Goodrich Tire - Tuscaloosa
- BF Goodrich Tire - Opelika
- Capitol Vial Inc
- Carlisle Engineered Products
- Color Masters
- CSP Technologies Inc
- Daikin
- EFP Corp
- Gates Corp
- GE Plastics
- Glasforms Inc
- Goodyear Tire & Rubber Co Inc
- Hamilton Bathware
- Homeland Vinyl Products Inc
- Hunjan Alabama Ltd
- Kohler Co
- Letica Corp
- LMR International Inc
- McGriff Industries Inc
- McGriff Treating Co Inc

- Michelin Tire Corp
- Nypro Alabama Inc
- Plasticraft Manufacturing Co
- Polymer Industries
- Rainsville Technology Inc
- Ready Built Transmissions Inc
- Robbins LLC
- Sterilite Corp
- Tri-Glass Corp
- Tyco Fire Products
- Vulcan Plastics
- Webster Industries Inc

### Sources

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08/05