



How Dow Values its Membership of Trade and Business Associations

Guido De Wit

Dow Europe GmbH

April 29, 2004

The Dow Chemical Company

- Dow is a leader in science and technology, providing innovative chemical, plastic and agricultural products and services to many essential consumer markets
- Annual sales of \$33 billion
- 46,000 employees
- Customers in more than 180 countries
- Dow is committed to the principles of sustainable development

Business Issue Management at Dow

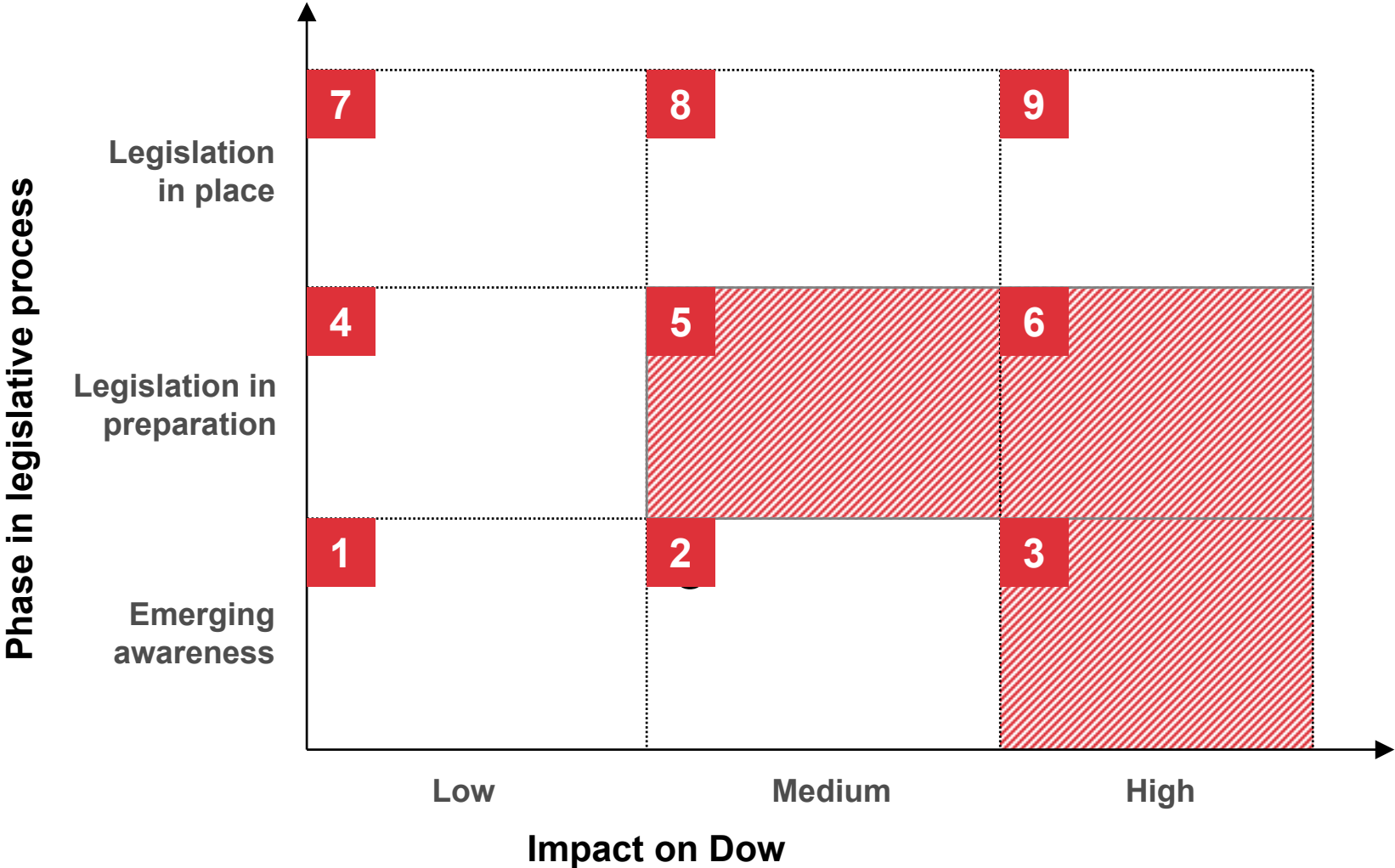
1. Issue identification (product-specific, market-specific or company-wide)
 2. Strategy development by a cross functional team
 - based on the understanding of the potential material and immaterial impact on Dow
 - includes clear and measurable objectives
 3. Tools selection - including direct advocacy, communication and **participation in TBA's**
 4. Strategy implementation
 5. Continuous Measurement and strategy adjustments
- **Funding and resource allocation driven by objective and tools selected**

Potential roles for TBAs

- Engage in dialogue with policy makers about specific issues or pieces of legislation
 - Develop information and a strategy BEFORE an issue comes to the policy-makers agenda.
- Provide a platform for cross-industry co-ordination*
- Engage in the public discussion to promote the industry and its products
 - Improve recognition and respect for the sector - companies involved
 - Develop information and a strategy BEFORE an issue comes to the policy-makers agenda.
- Provide general information about the industry to interested parties

*within the legal framework

When do TBAs offer the Most Value



Case: Plastics Associations in Europe

- Case for Change
 - Most laws now come from Brussels and complex decision making demands ‘one voice’
 - Changing society views on environment and sustainability
 - Company rationalisation, streamlining personnel in companies and cost pressure
 - The existing National Plastics Association (NPA) network is not designed for coordinated action
- New organisation
 - The Europe-wide association will allocate funds, resources people, offers expertise, develops position papers and communication plans
 - The NPAs gather information, deliver advocacy and implement communication plans
- Result - Stakeholders will see
 - Powerful well-argued positions on issues important to the plastics industry and society
 - Unbiased and trustworthy comparisons of plastics with competitive materials
 - Openness to work cooperatively on issues of importance to the value chain
 - Useful education and training support
 - Authoritative statistics on the industry

Does Dow See Value in TBAs

- Yes!
- TBAs are strategic partners for Dow
- But,
- TBAs need to learn to adjust fast to changes in society