VOLUME 263 NO.18 CMR MAY 5, 2003

CHEMICAL MARKET REPORTER

REPORTING THE BUSINESS OF CHEMICALS SINCE 1871

BASF's Jennings Receives CDMA Award

CHEMISTRY HAS GREAT potential and opportunity to deliver new products benefiting society over the coming years as innovation and research into new areas flourishes, says Carl Jennings, executive vice president of BASF Corp. and president of Nafta Region I. Mr. Jennings received the Commercial Marketing and Development Association (CDMA) Award for Executive Excellence last week in Boston for his contributions to the industry and society over his 30-year career.

Taking a historical perspective on innovation, Mr. Jennings notes that early growth opportunities were largely driven by accidental discoveries, such as DuPont's Teflon and nylon, and BASF's "post-emergent" class of herbicides. The task of commercial development then was to find applications for these accidental discoveries.

"Fast forwarding to the present, we find a much different business environment. In today's world, if we work really hard and build great relationships with customers, they just might honestly tell us what they need," says Mr. Jennings. "Then it's our challenge to find a way to employ chemistry to satisfy those customer needs, while making an acceptable profit for our companies and investors."

With greater expectations today for quality, service and price, as well as higher overall expenses, future growth cannot rely on unfocused effort or chance discovery. "For our industry, innovation by accident must be replaced with innovation by design."

Examples in BASF AG of innovation by design include a biodegradable packaging polyester (Ecoflex), a polystyrene-based insulation (Neopor), a new fungicide class with high efficacy (Strobilurins), stir-in pigments that reduce processing time (Xfast), and coatings that can achieve energy cost savings of 20 to 40 percent (Ultra-Cool).

Future areas holding significant promise include nanotechnology and chiral chemistry, areas where BASF has focused significant R&D resources. "The implications of nanotechnology are tremendous for catalysis where surface area is critical," Mr. Jennings points out. "Our research has demonstrated how nanocubes can store hydrogen in fuel cells for portable devices as small as mobile phones and laptop computers."

Carl Jennings (left) receives the CDMA Award for Executive Excellence from CDMA president Bill Tuszynski.

Mr. Jennings plans to retire at the end of June. He has been with BASF for roughly 26 years. CMR