

Peter S. Reineck

Background and Experience in Petrochemicals Marketing and Business Development

Experience was gained during more than 20 years in the UK, North American and international markets, much of it in petrochemicals and related businesses such as refining. Background includes leadership experience with major chemical, petrochemical, petroleum refining and environmental services companies. The following is intended to complement the resume.

As a consultant:

- Most recently, for major petrochemical consultant Tecnon OrbiChem, produced update of maleic anhydride global market study and database, which included complete analysis of trends in cost of benzene and n-butane feedstocks.
- Retained by Petro-Canada, evaluated markets for chemical grade refinery propylene stream, and recommended disposition with best netback.

For Marsulex, which provides by-product processing services to refineries and chemical producers:

- Made numerous business and market assessments, recommended potential acquisitions, managed specialised consultants, and gained exposure to energy markets, regulatory trends and new technologies.
- Developed econometric models for projects to upgrade low-value refinery streams and by-products, and to provide desulphurisation, H₂S processing, and spent acid regeneration services. Products included fuel alkylate, diesel fuel, acetic acid, ethanol, ammonium sulphate, sodium bisulphite, sulphuric acid, liquid SO₂, and sulphur.
- Created a benchmark global market assessment for plant nutrient sulphur, and recommended high level marketing strategy for sulphur fertiliser.

As a Business Manager with BASF:

- Member of business team managing petrochemical products including MDI, TDI, caprolactam, 1,4-butanediol and propionic acid.

Earlier, as Manager, Petrochemicals Business Development for Gulf Canada:

- Evaluated markets and projects for major petrochemicals, feedstocks and derivatives; identified pricing rationale and growth potential; then, recommended optimal disposition.
- Worked with consultants to assess markets and analyse economics for future Western Canada styrene, p-xylene (PTA) and polypropylene (PP) projects, then opened negotiations with potential Japanese joint venture partners.
- Evaluated work of consultants on potential East Coast petrochemical production, and drafted report to Petro-Canada/Gulf taskforce on opportunities from the late 1980s, which was accepted.

Also for Gulf, as Manager, Petrochemicals Marketing, responsible for a \$130 million business:

- Provided strategy and plans for a \$35 million phenol, acetone and derivatives business, recommending a 25% expansion as needed to maintain market position, for a projected 35% profit increase.
- After assessing strategic options, optimised profitability by renegotiating major aromatics and propylene contracts. In the case of cyclohexane, the sole supplier contract was renegotiated for an increased volume commitment.
- Sold benzene, toluene, and xylene (BTX) on the spot market.
- Renegotiated pipelining contract for additional profit of up to \$2 million.
- Purchased raw materials in the spot market and under long term contracts, saving \$1.4 million by renegotiating coproduct (pyrolysis gasoline and hydrogen) supply contract.
- Worked with Manufacturing, Logistics and Planning to resolve product (feedstock) supply issues.
- Built seller's case in \$150 million naphtha/gas oil ethylene feedstock contract arbitration, resulting in the award projected by seller, executed settlement and subsequently negotiated contract and spot sales.
- After Montreal refinery closure, settled contractual obligations for minimal cost, and sold residual inventories.

Summary

Direct business experience of products includes the primary petrochemicals, many secondary aromatics and derivatives (such as caprolactam), and some olefin derivatives. Market assessments of many other petrochemicals, such as acetic acid and maleic anhydride, as well as strategy work, helped to provide a good understanding of the structure of the industry and markets.