

INEOS Styrenics to close Marl EPS plant at end of 2013

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INEOS intends to stop production of expandable polystyrene (EPS) at its site in Marl, Germany, at the end of 2013, the Switzerland-headquartered producer said on Monday.

The EPS plant in Marl, located in the northern part of the Ruhr region, has the capacity to produce 100,000 tonnes/year. INEOS will now begin talks with employees and the works council to find alternative roles for the 65 people affected by the closure.

INEOS said demand for EPS products has fallen as a result of the European construction sector suffering from adverse economic conditions, adding that the plant's operating costs have also been affected by the recent closure of the group's styrene and polystyrene units in Marl.

"The loss of the styrene monomer and polystyrene units removed a number of operating synergies at the Marl site which left the EPS unit with an unsustainable fixed cost base and a weaker styrene monomer supply position," the company said.

INEOS said a detailed review of its EPS business highlighted the need to "optimise production capacity" across its three remaining facilities in Breda, the Netherlands, and Ribecourt and Wingles, both in France.

INEOS said it will still continue to be one of the largest producers of EPS in Europe with 350,000 tonnes/year capacity following the closure of the Marl unit. The company added that production at its 250,000 tonne/year cumene plant in Marl will continue.

SOURCE Icis News