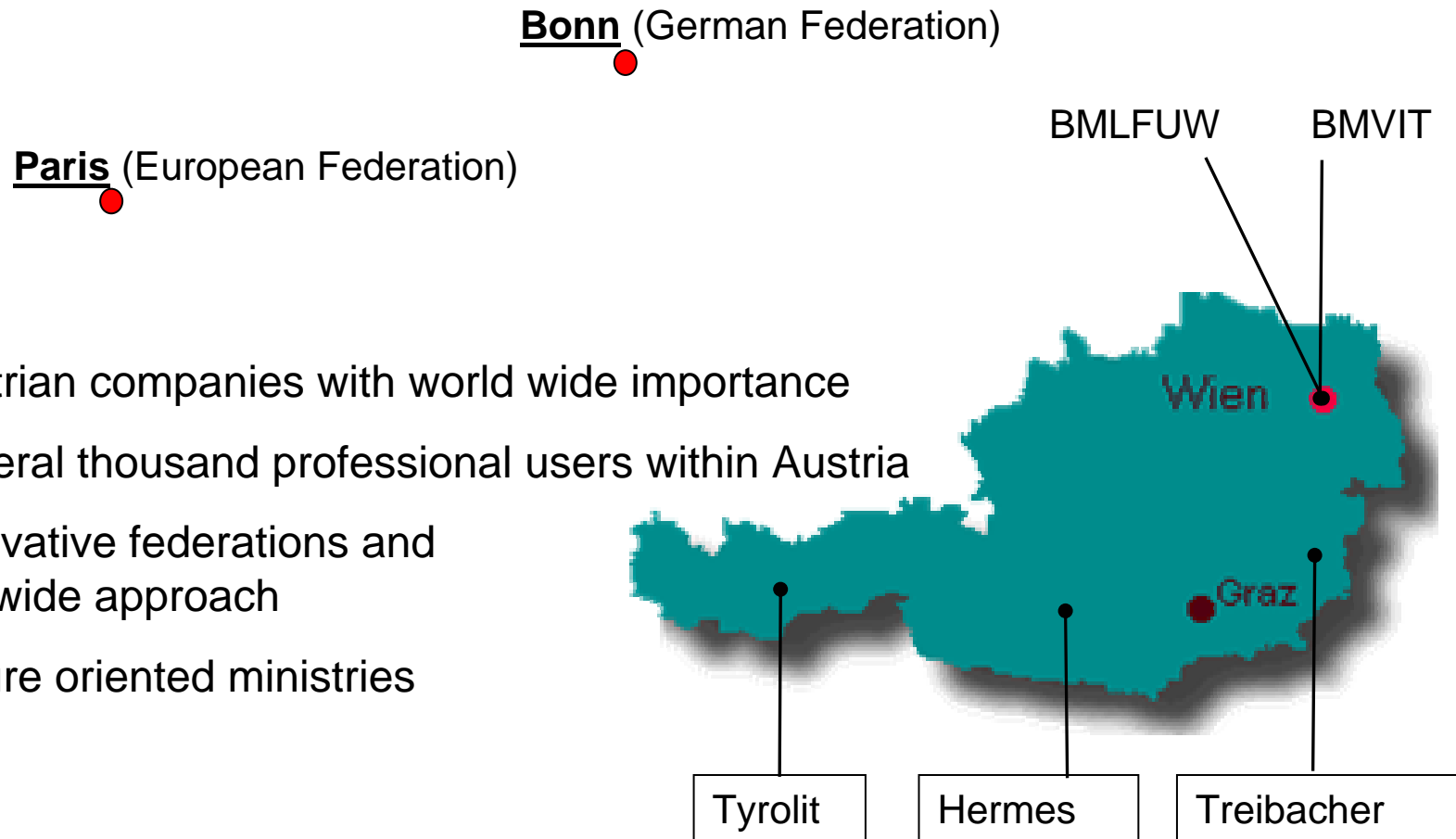


# Industrial Eco-Leasing-Concepts based on Abrasive Industry Approaches

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13/14 November, Vienna

## Abrasives industry has good starting conditions for pilot projects on eco-leasing



- + Austrian companies with world wide importance
- + Several thousand professional users within Austria
- + Innovative federations and EU-wide approach
- + Future oriented ministries

# Is chemical leasing possible and is it of interest for the abrasive industry?

## chemicals within abrasives

- silicon carbide
- corundum
- phenolic resin
- cryolite
- ferric oxide
- cobalt
- ...

## benefits of abrasives

Surface properties

## type of waste



identical physical-technical properties

## potentials

- formulations
- lifetime
- recyclability
- productivity



reduction of emissions and waste



benefits quantifiable

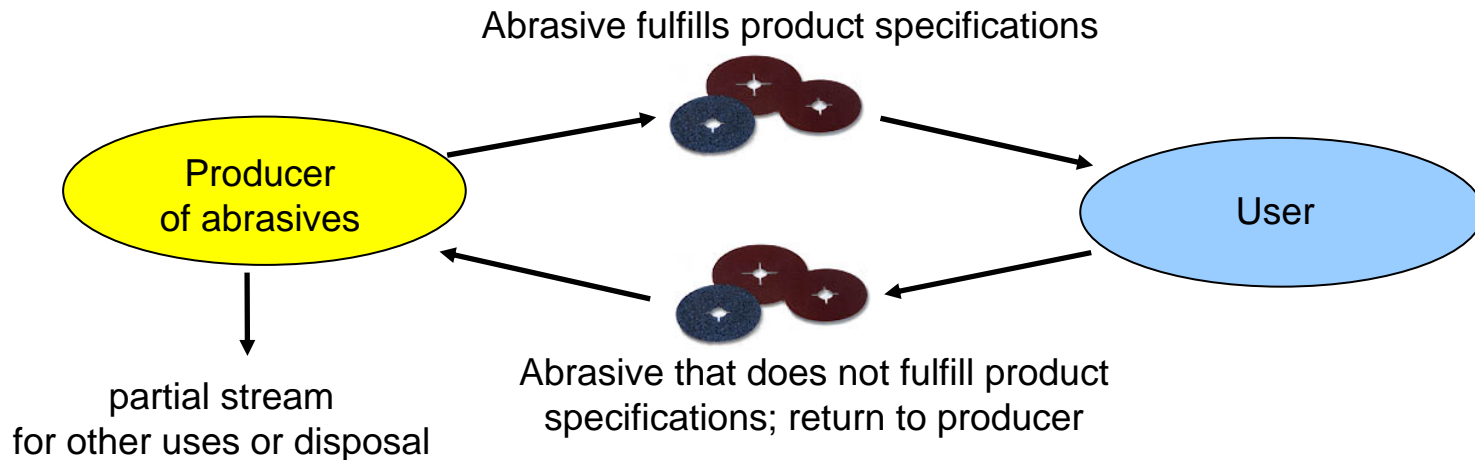


recycling possible



potentials can be realised

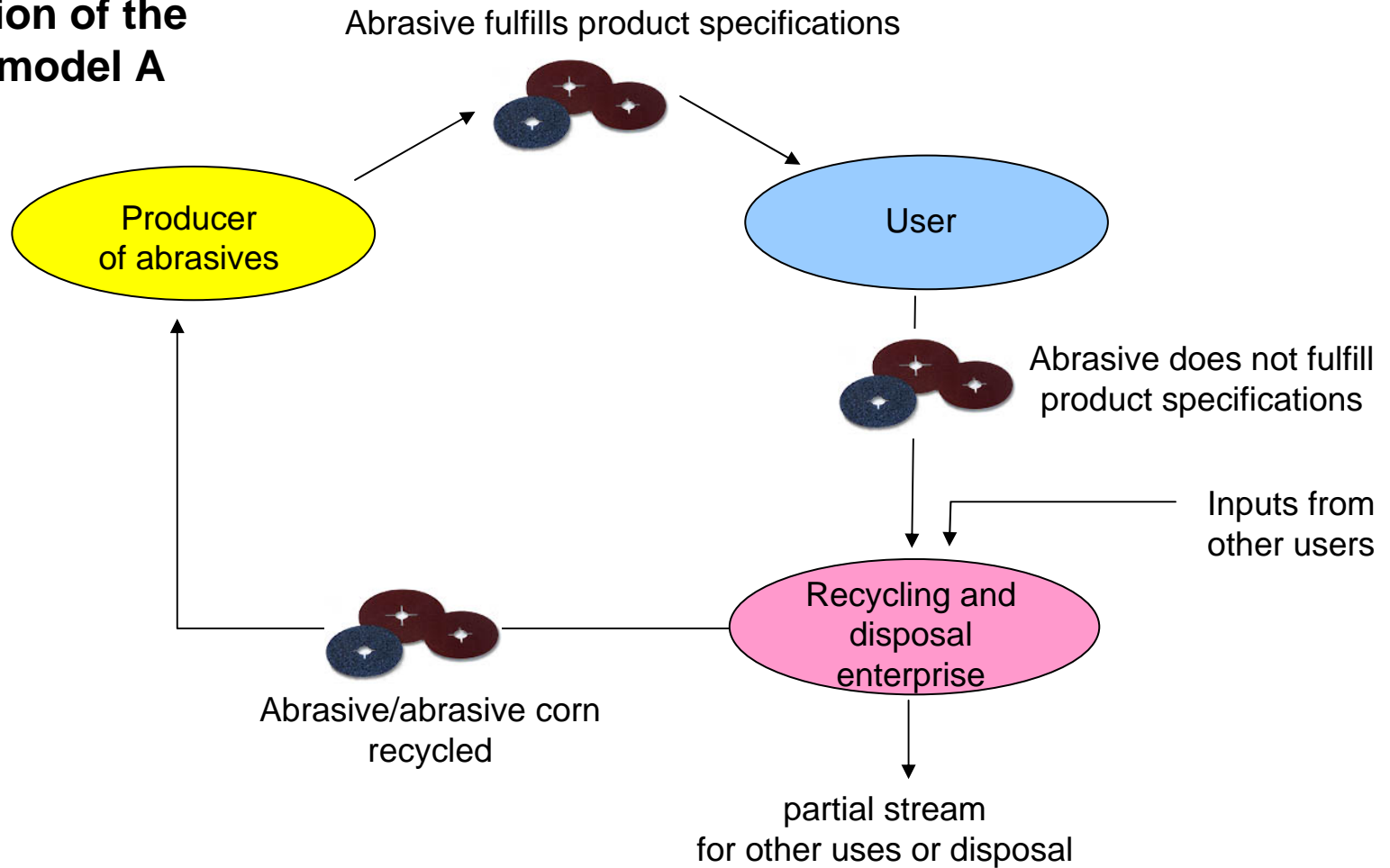
## Experiences with basic model A concepts show deficits in practice



- + advantages less waste; closer connection to object, long term customer relation
- difficulties higher risk for supplier (who is responsible if problems turn up)  
 need for investment;  
 missing capacities and know how for recycling  
 problems to quantify benefits in case of product flexibility

# Involvement of recycling companies makes concept more attractive

## Variation of the basic model A



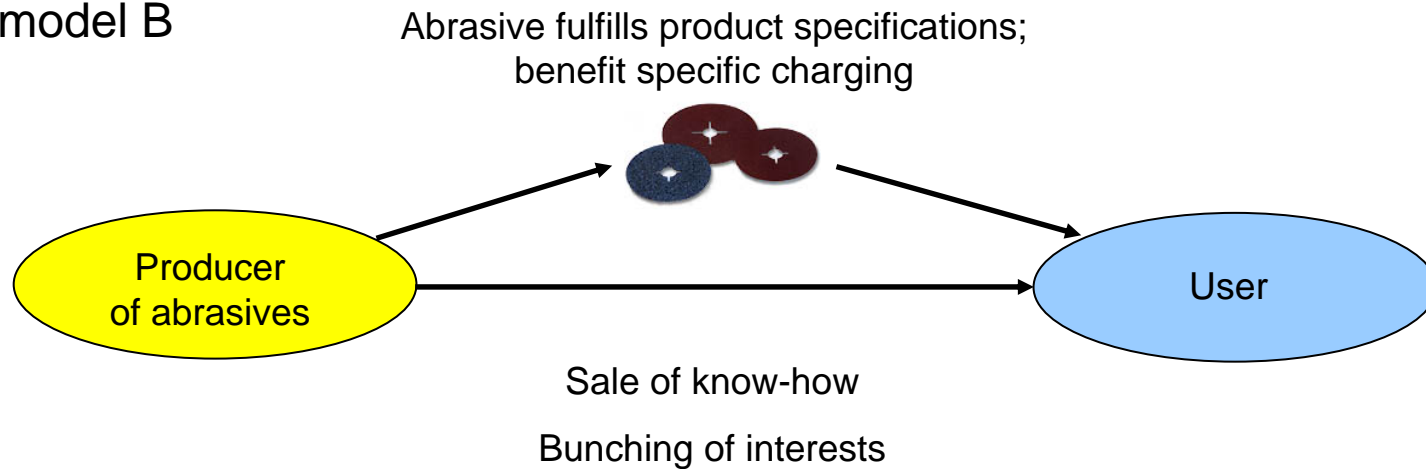
# Inclusion of recycling companies increases benefits



Consequence: ecological and economic advantages result as a spin off from chemical leasing

The basic model B (“bunching of interests and sale of Know-How”) is appropriate for chemical leasing and in praxis already partly established

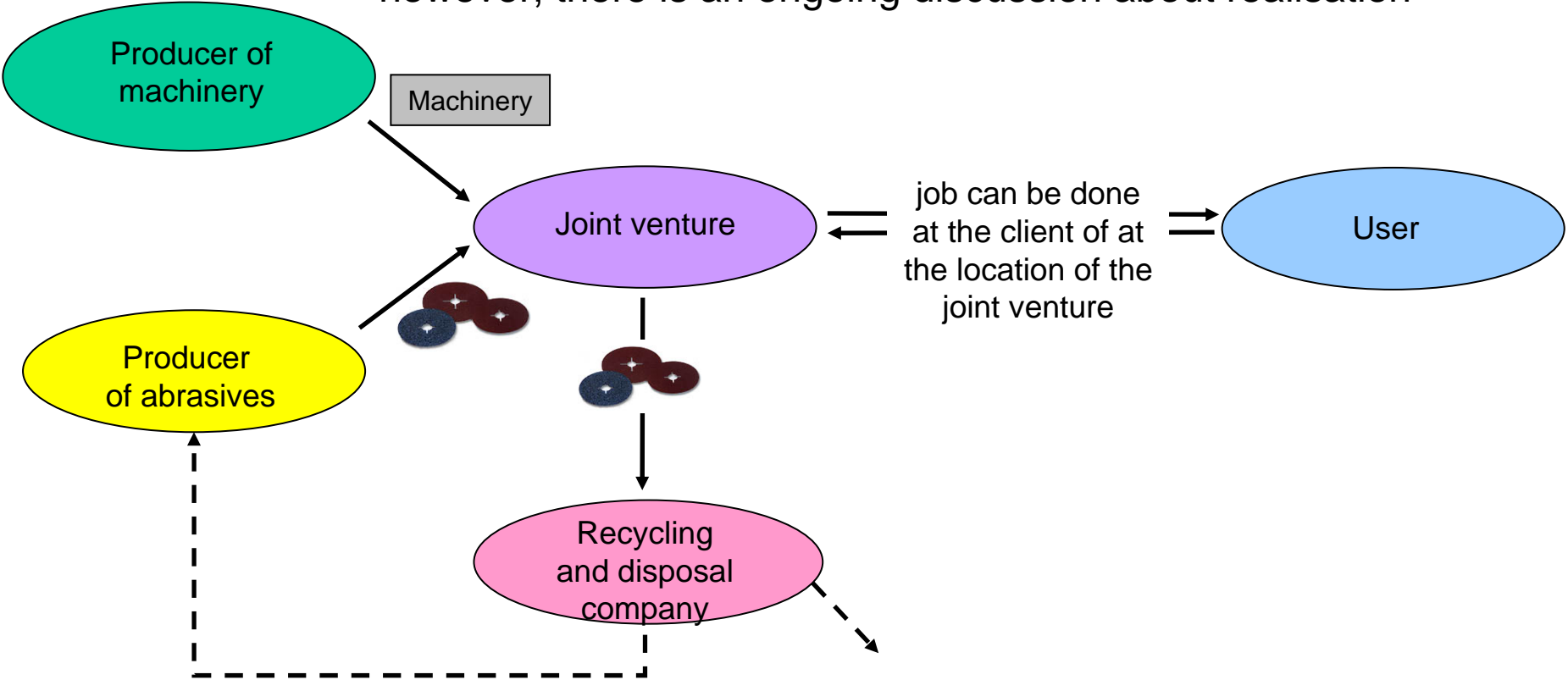
### basic model B



advantages :      less waste  
                         better profits by selling know how  
                         good feed back of clients

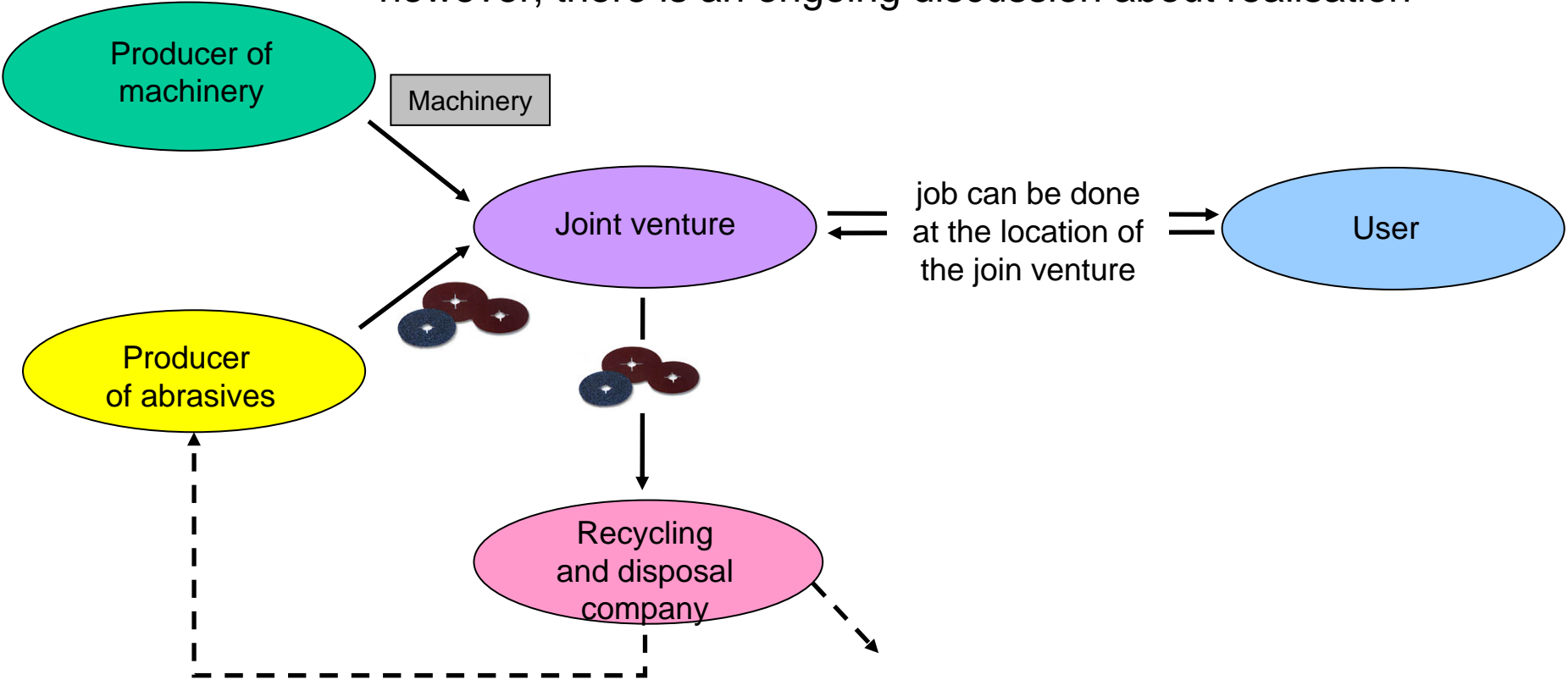
disadvantages:    problems to quantify benefits in case of product flexibility

Basic modell C is not yet installed  
however, there is an ongoing discussion about realisation



- |                        |  |
|------------------------|--|
| expected advantages    | better contacts to the client              |
|                        | better cooperation with machinery producer |
|                        | higher profits                             |
|                        | no enhanced liability                      |
| expected disadvantages | independence towards the client            |
|                        | need for investments                       |

Basic modell C is not yet installed  
however, there is an ongoing discussion about realisation



expected advantages

- better contacts to the client
- better cooperation with machinery producer
- higher profits
- no enlarged liability

expected disadvantages

- independence towards the client
- need for investments

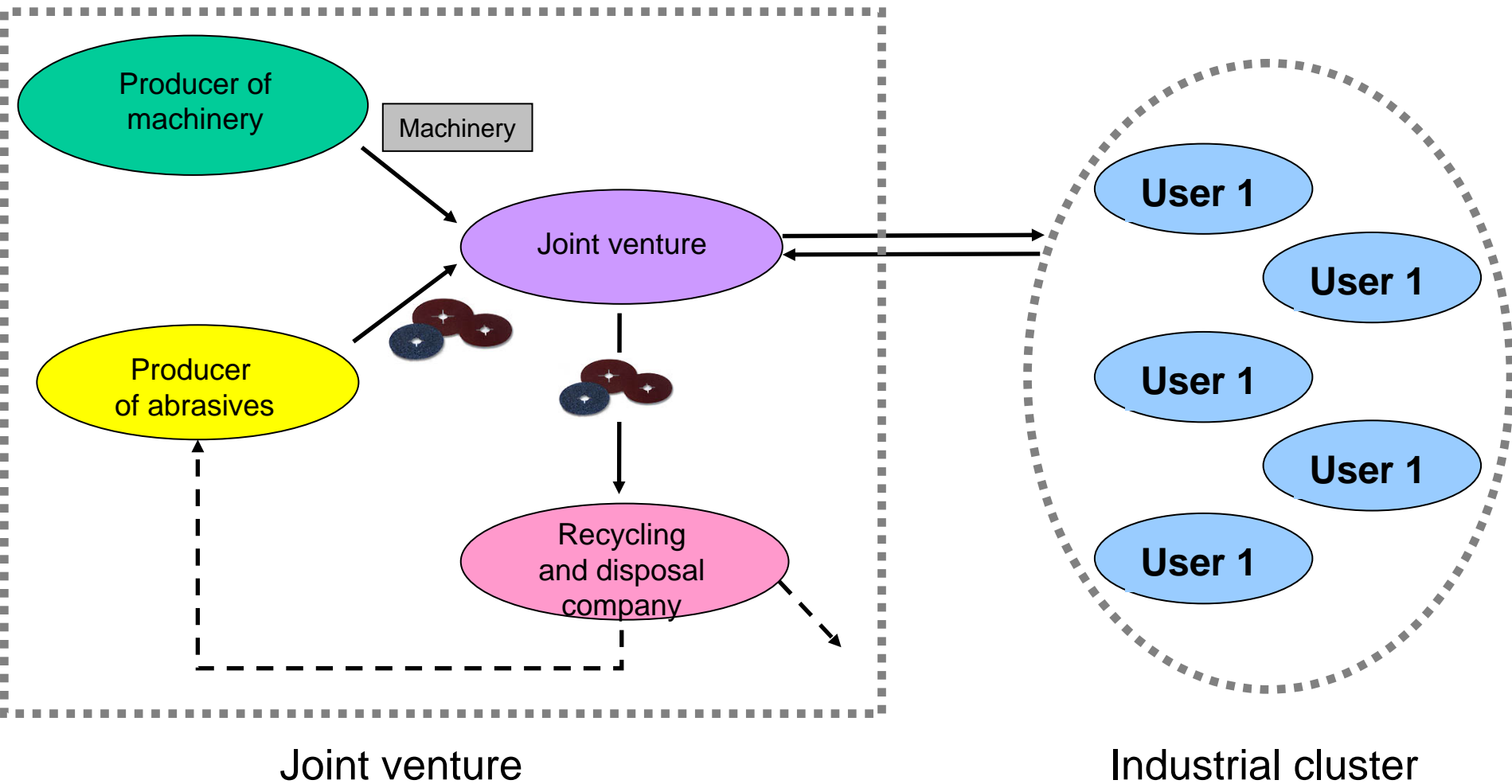
## Summary of hindering factors and risks

- Necessity for persuasion (internal and external)
  - Investments required
  - Higher efforts for administration and
  - Legal insecurity
  - Questions on liability and assurance
  - Structural adjustment
  - Closer binding to suppliers of machinery
- ⇒ Support from R & D programm help to kick-off further progress

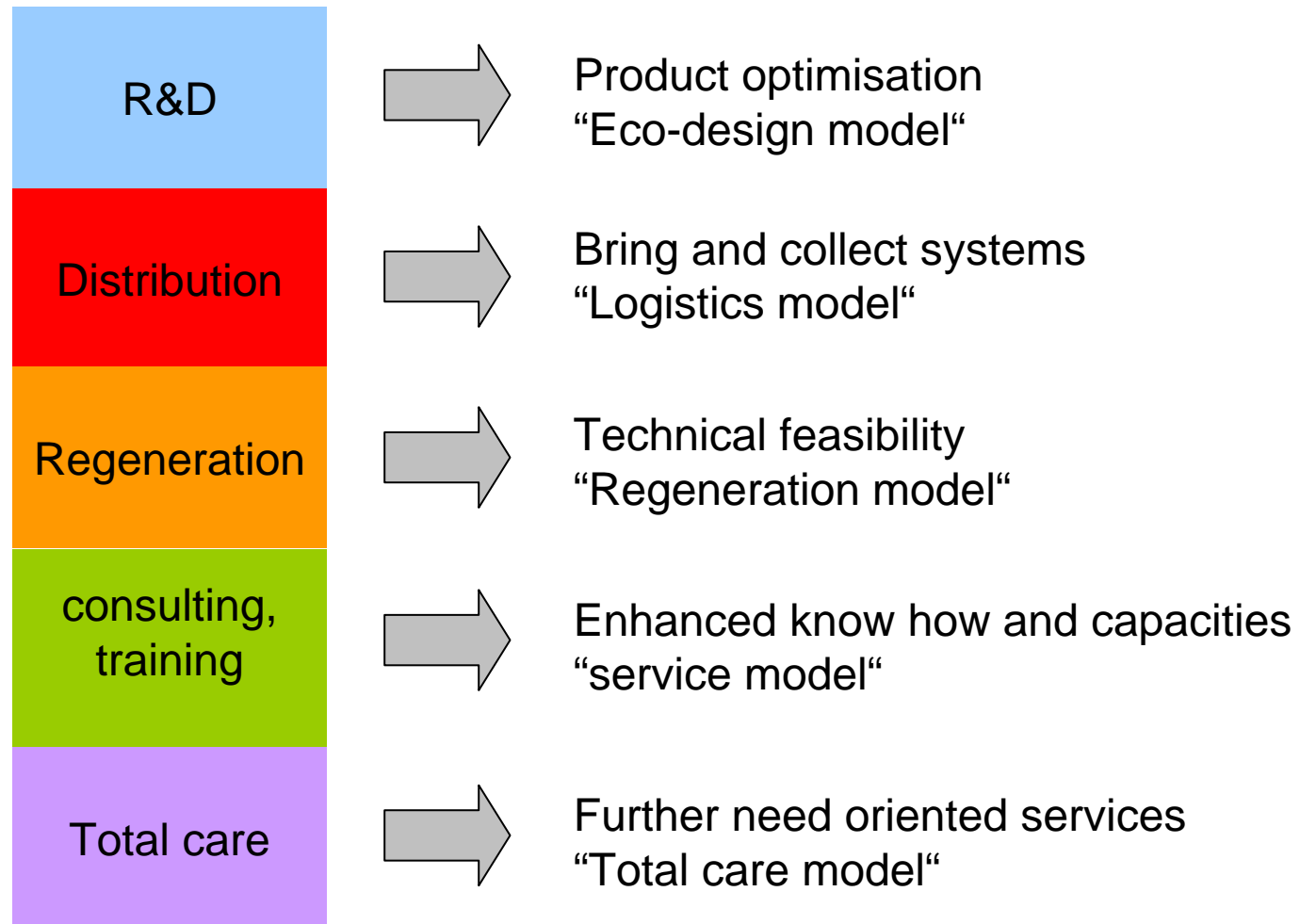
## Summary of stimulating factors

- Client satisfaction
- Economic competitiveness
- Cost savings for sales
- Better profits
- Motivation of employees
- Environmental benefits / better resource efficiency
- Enhanced reputation / credibility

Joint venture including an industrial cluster  
as a centre of excellence and know-how



## Future objectives and tasks



## Conclusions

- Chemical leasing is an interesting concept for the abrasive industry
- Business models are on their way, some are already installed, some have still to be developed in detail
- Positive spin offs from chemical leasing exert their impact in the fields of economy and environment
- The competition is high in the abrasive industry. As a consequence public available information on successful business models is limited