

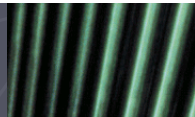


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REACH

What is it?
Why should I care?

Gary Beck



- ▶ *R*egistration
- ▶ *E*valuation
- ▶ *A*uthorization of
- ▶ *CH*emicals



- ▶ *R*egistration
- ▶ *E*valuation
- ▶ *A*uthorization = **Ban or Restrict**
(not approve)
- ▶ *CH*emicals



Why do we care about REACH?

- ▶ After Dec 1, 2008 *NO material* will enter or move in the EU that has not been registered



DEFINITIONS

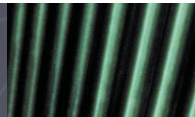
- ▶ ***Substance***=a chemical element and its compounds in the natural state or obtained by any manufacturing process
- ▶ In our language, for Stainless Steels the **substances** are Fe, Al, Cr, Mn, etc.





Definitions cont.

- ▶ ***Preparation***=a mixture or solution composed of two or more substances
- ▶ Stainless is a “**preparation**” consisting of the “**substances**” Fe, Al, Cr, Mn, etc.



Definitions cont.

- ▶ **Article**-an object which during production is given a special shape, surface or design which determines its function to a greater degree than does its chemical composition
- ▶ The definition of “article” will be very important



- ▶ If the product has near net shape, and none of the substances in the alloy are intended to be released in further processing, then the products can be classified as an **“Article”** and need not be registered.



- ▶ If the product is intended to be re-melted or re-cast, it is considered a **preparation**, not an **article** and must be registered. (ingots, billets, slabs)



- ▶ The status of flat products, such as plate, sheet, or strip is uncertain. Some say it is an **article** (because its shape is important) and others say it is a **preparation** (because it will be reshaped by bending, stamping, etc.)



Definitions cont.

- ▶ ***Manufacturer***-any natural or legal person established within the EU who manufactures a substance within the EU



Objectives of REACH

- ▶ Deliver safety information on ***ALL*** chemical substances in use in the EU
- ▶ Minimize the potential health and environmental risks from these various substances



- ▶ Introduces a “no data, no market” provision, prohibiting manufacture or placing on the EU market substances for which registration and risk-assessment data packages have not been submitted.



Each ATI legal entity need to determine the quantity of substances imported into or manufactured in the EU, in the following tonnage bands based upon the average tonnage over the last three years:

$1 < x < 100$ tons/year

$100 < x < 1000$ tons/year

$X > 1000$ tons/year



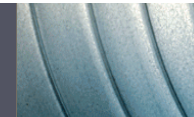
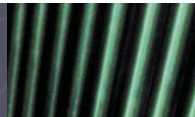
Individual companies must pre-register each substance manufactured or imported into the EU of one tonne or more per year between June 1 and Dec. 1, 2008





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REACH has been called the *most complicated* single legislation EVER introduced into the EU!



COST

- ▶ TOTAL implementation cost is estimated to exceed 10 Billion Euro
- ▶ They are essentially trying to build an EPA-like organization overnight



COST

- ▶ Test fees to fully register each chemical substance is estimated to cost over a million dollars!
- ▶ Therefore, costs must be shared with others registering the same substance.



The Path Forward

Two Major Steps

- ▶ Pre-registration
- ▶ Full registration



Time Line

- ▶ December 1, 2008-Pre-registration of phase- in substances
- ▶ Jan. 1, 2009-list of pre-reg. substances published
- ▶ December 1, 2010-Registration of ≥ 1000 tons/yr
- ▶ June 1, 2013-Registration of ≥ 100 tons/yr
- ▶ June 1, 2018-Registration of ≥ 1 ton



Preregistration

- ▶ Must be complete by Dec. 1, 2008
- ▶ Fairly simple to do
- ▶ May only be done by a legal entity in the EU, i.e., a consultant
- ▶ This entity is called an ***“Only Representative”***



Full Registration

- ▶ Will be very technical and expensive.
- ▶ Very detailed Chemical Safety Reports showing toxicity data and safety procedures are required.
- ▶ First set due in 2010.



Customer Relations

- ▶ Our customers want to know...
 - Are we aware of REACH?
 - Will we pre-register?
 - Do we have an Only Rep./who?
 - Who is our REACH contact?
 - Registration deadline and tonnage band



Customer Relations

- ▶ ATI REACH Team activities:
 - Prepared several letters to use as the response to customer inquiries about our REACH compliance.
 - Confirming down-stream compliance by our EU suppliers.



Customer Relations

- ▶ ATI REACH Team activities:
 - Preparing to join groups to share safety/hygiene data and share registration costs.
 - Insuring that ATI successfully meets the pre-registration deadline.
 - Has hired the consulting firm ARCADIS.



REMEMBER

Failure to pre-register means EU companies cannot market or import the substance

Failure of our EU suppliers to comply means they cannot export their products to us.

DO all of our EU customers understand this?



Failure to pre-register means EU companies cannot market or import the substance

Failure of our EU suppliers to comply means they cannot export their products to us.

DO all of our EU customers understand this?

Do all of our operating entities understand this?

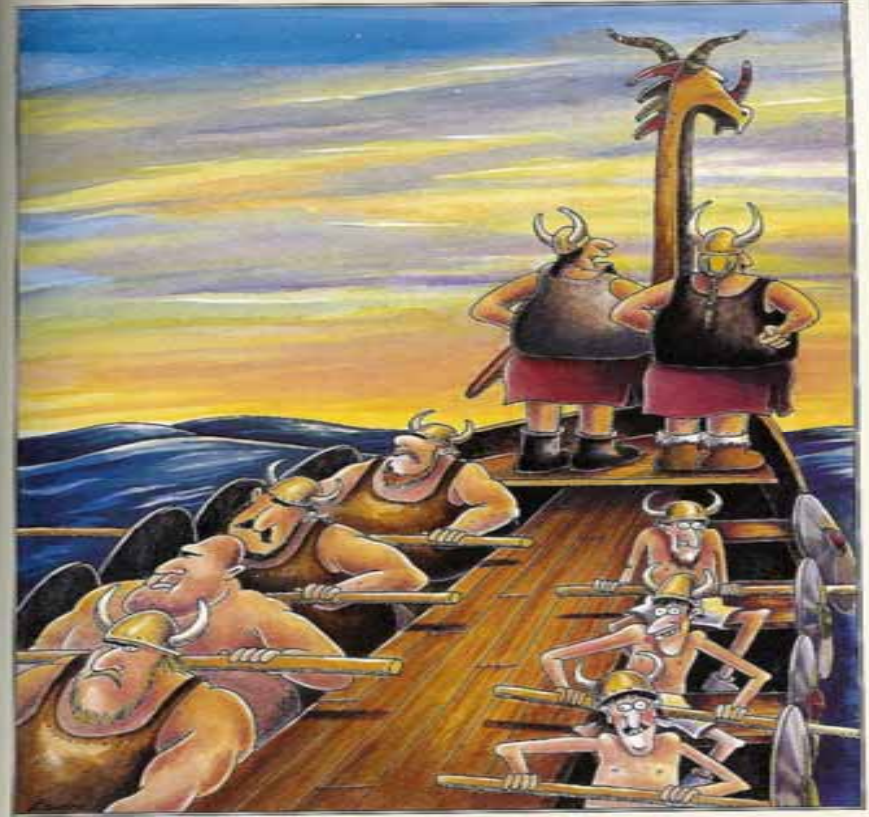


REACH is a highly complex regulation that is constantly evolving. Whether or not we agree with the concept, IT WILL NOT GO AWAY.

We need to carefully navigate these waters.



“I’ve got it too
Omar...a strange
feeling like
we’ve just been
going in
circles.”



“I’ve got it, too, Omar ... a strange feeling like we’ve just been going in circles.”





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We will all need to pull together

