TESTIMONY OF JERRY M. SERRA
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BEFORE THE U.S. INTERNATIONAL TRADE COMMMISSION
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I am Jerry Serra of Serra & Associates of Chelmsford, Massachusetts. I act as a technical consultant to the Pressure Sensitive Tape Council. I have a PhD from the University of Rhode Island and have over 36 years of industrial experience. I have worked for Kendall (now Covidien), Tyco Adhesives, Covalence Adhesives and Berry Plastic Tapes and Coatings Division. I have served in capacities anywhere from being an analytical chemist to Director of R&D and Vice President of Technology for these companies. As Vice President of Technology I was responsible for new product and process development, technical support of current business, management of intellectual property assets, and some strategic planning issues. I retired from corporate life in April 2008 and have been involved in my consulting business since that time.

During my career I was a key member of our mergers and acquisition team. I had the responsibility of identifying and visiting potential acquisitions. These acquisitions included the acquisition of the then-Manuli Tape which now is Evotape. Therefore, I became very familiar with the Italian tape industry and its capacity and I know that the figure that we are relying on today are reliable. I often had to collect industry market data to determine industry capacities and utilization. I frequently used data published by ExxonMobil (EM) who has published an annual report on European Tape Production for a least the past 13 years along with other sources such as Freedonia.

EM is a major global supplier of elastomers and tackifiers used in the manufacture of pressure sensitive adhesives. The information compiled by EM was through customer contacts and includes PSA tape production for Western Europe and excludes protective films, labels, medical products and pipewrap tapes.

EM estimates the total Western European PSA tape production capacity to range from 10-12 billion square meters (BSM). For my analysis I choose to use 11 BSM as a reasonable estimate. Italy is the primary producer of PSA tapes in Western Europe representing 64% (7 BSM) of total production capacity vs. their actual production of 3.8 BSM (54% capacity utilization) in 2008.

Total Western Europe packaging tape production in 2008 was reported as 4.1 BSM (70% of Western European tape production). Since Italy is the primary tape producer in Western Europe, I selected 80% as a conservative estimate of Italian packaging tape production (3.3 BSM vs. 3.8 BSM of tape production). The total production capacity for Italian packaging tape is estimated at 6 BSM (55% capacity utilization).

The predominant packaging tape adhesive technology in Italy is rubber based (natural and synthetic elastomers) representing 72% of production or 2.4 BSM actual vs. 4.3 BSM potential.

Therefore, my conclusion is that the use of 5 billion square meters as the estimate of Italian capacity is a conservative estimate and certainly can be relied on by the ITC in this case.

I will be glad to address any questions that you may have.

Exxon Mobil from 2006 and 2008, Presented at AFERA Conference, October 2009, Cracow, Poland

	Italy
PSA Capacity (billions sq. meters)	7.0
PSA Production (billions sq. meters)	3.8
% Capacity Used	54%
Pkg Tape Capacity (billions sq. meters)	6
Pkg Tape Production (billions sq. meters)	3.3
% Capacity Used	55%