VpCI Technology® – Advanced Corrosion Solutions in Automotive Industry

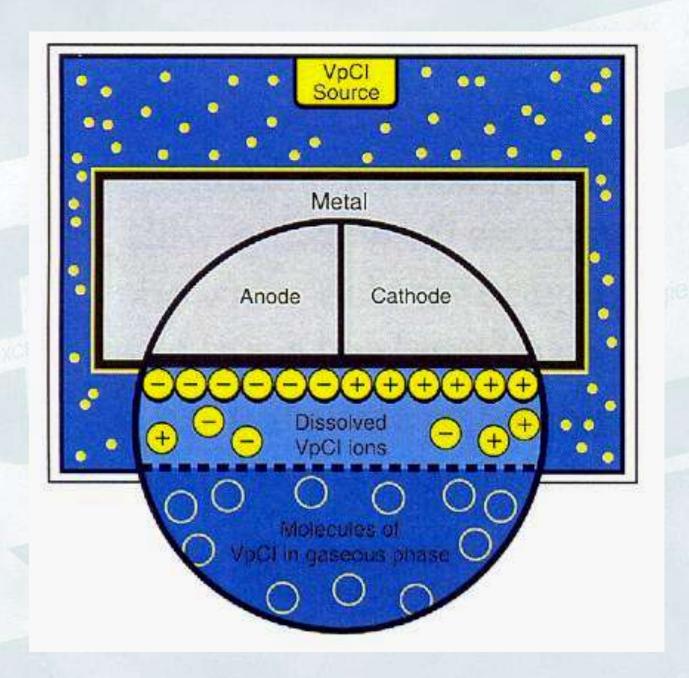
Boris A. Miksic, FNACE EcoCortec / Cortec Corporation

Outline

- VpCI® Concept for Automotive Industry
- Chemical Performance = Total Value
- Supplier Usage
- Auto Usage
- Services, Support

VpCI® Concept

- Clean, dry, rust free
- Chemistry matters
 - Safe
 - Effective
 - Multi-metal
 - Total Quality Control
- Proper VpCI chemistry allows lower total cost as protection is based on VpCI performance rather than just on barrier, desiccant or oily coatings.



Chemistry Matters

- Many VCI formulations have sub-par vapor characteristics
 - To compensate, others use oils, thicker films, redosing or barrier products
- Cortec VpCI® allows solutions to use optimized VpCI® chemistry that emits a vapor *more effectively at lower dosages*.
- In the price-war, eventually a performance threshold is attained.
 - Using proper VpCI® allows lower total price at the threshold

Example: Biopad (20 cm²) + VpCl[®] 126 ES (70 micron)

Key VpCI® Advantages

- Immediately ready for use
- Dry surfaces
 - Allow inspection
 - Allow handling
 - Minimize EHS exposures and risks
- 100% rust free, worldwide

Cortec Difference: Trusted Globally since 1977

- 100% Global Quality Control
- Optimized corrosion inhibitor
- Innovative and Integrated Approach
- ISO 17025 Certified Laboratory for Testing
- ISO 9001/14001 Quality Process

"Customers call when they cannot afford rust."

Cortec's Manufacturing & Global Presence

Parkway Technology Campus: Saint Paul, MN



Cortec Advanced Films: Cambridge, MN



Headquarters: Saint Paul, MN



World's Largest & Most
Vertically-Integrated VpCI
Facilities

CortecCros Warehouse: Split, Croatia



Cortec Coated Products: Eau Claire, WI



Cortec Spray Technologies: Spooner, WI



EcoCortec – Croatia First Croatian bioplastics plant













Parts Banking Programs

- Ford Romeo Engine
- Ford Sharonville
- Ford Cleveland
- Ford Coyote Project
- GM Multiple Facilities
- GM Romulus Engine

Suppliers & Facilities Usage

- Steel Parts
- MPI
- GKN Sinter
- GKN Driveline
- Lake Park Industry
- Rawsonville
- GM Gas Houses
- Magna
- Kokomo Engine

Project ranges:

- Deep storage (5 year) single packs
- Service parts
- Mass Production parts
- Facility Capital Equipment (Clean, Protect, Preserve at GM Gas House)







Suppliers & Facility Usage Highlights

- Honda Anna engine
- Honda Alabama
- Nissan Tennesee
- Nissan Mississippi
- Nissan Japan
- Nissan UK
- Akebono (Bosch)

Project Example:

Biopad + VpCI 126 Blue bag allowed Honda Anna to eliminate refrigerated truck shipments. Huge cost savings due to transport and corrosion.

Other Users Worldwide











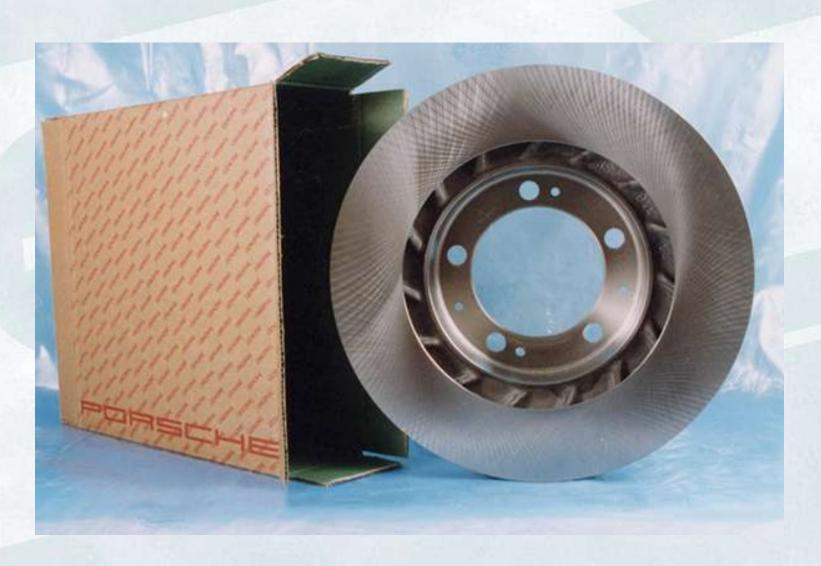








OEM Branding / Integrated Pack



OEM Branding



Volvo Power Train - Brasil



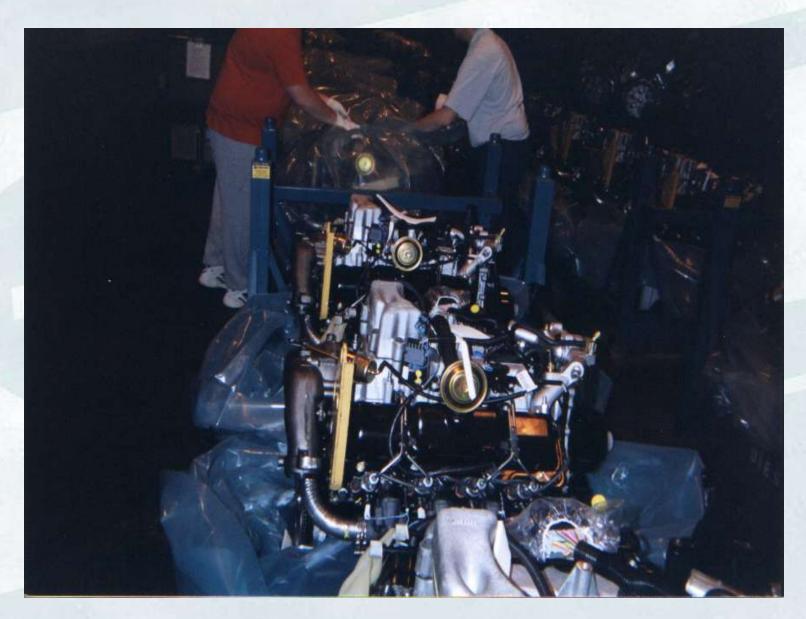




OEM Branding / Anti-counterfeit



General Motors Build Ahead - Mexico



General Motors Mexico

- Shipments of oil pumps from Mexico to China
- Actual situation (cost):
 - GM actually dipped in RP fluid, wrapped in oil-resistant paper, wrapped in stretch film, then individually bagged!
 - 4 minutes to package one part
- Benefits of Cortec System:
 - Eliminated paper, stretch film and oil RP
 - Changed HOW the RP was done
 - Cleaned the work station (ISO facility)
 - Reduced packaging time per part to less than 30 seconds
 - Test shipment using just 126 bag outperformed the previous system.
 - Ability to OEM brand the packaging

Peugeot Citroen - Brasil











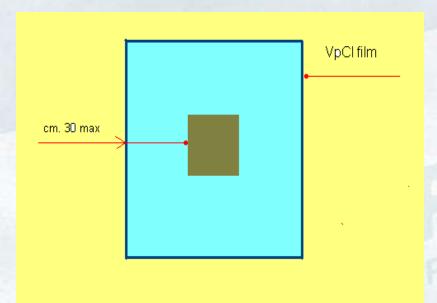
Renault facilities use:

- VpCl 126 bags for the packaging of all shipped parts – primarily by CKD facilities
- VpCl 130 foam in combination with VpCl 126 for extended protection of shipped parts
- VpCI 329D for long term protection in storage and extended protection in shipping





MAX. DISTANCE 30 cm









But sometimes is More than 30 cm!



VpCI® Foam

This is the second best product for an anticorrosive package

- Open-cell Polyurethane impregnated with VpCI
- High VpCl concentration
- Antistatic
- Static dissipative
- Desiccant action
- Long life



Federal Mogul



Conventional Rust Preventative Oil based

VpCI® 377 Water based

Detroit Diesel







General Motors



OEM Branding / Supplier



Cummins







OEM Branding / Multifunction



OEM Branding / Instructions



Cummins Latin America

AVISO / WARNING / VARNING

Unimizaçue a semo. Para evitar correcto MED PODE sem aberta entes de dantino final. Sa hacesakhis, devido a procedimentos edimendino su algum acidenta. NEO TOQUE NEO PECAS sem a proteção de lovas. Favor combular conforme a condição inicial ou entrar em contato com representanto de Cummino.

by pack estables. To eveid corrector this CAMMOT be opened before the final destination.

If necessary due customs procedures or any accident, DON T TOOCH THE PARTS without girmes protection. Please push again properly or advice Commiss representants.

Surrpacket embalisge For ett underke ruet. DPPRAR EJ fine alutifistinstinen De addrennigt för Sall-pencedur eller slyckshandeles. NOR INTE DETALMINA utam skyddshandeker. Vänligen tillslut soggrant eller kunsmitere Commine personal.

Cod. 5051544







Customer Testimonial

"[We] have experienced corrosion on our blocks and heads for over 7 years.... Right now, with VpCI 126 bags and Bio-Corr <u>we have eliminated</u> <u>corrosion entirely from our operation</u>."

- John W., Cummins Inc



Importance of Laboratory Data

- Cortec Laboratories is 3rd Party ISO 17025 certified
- Use only Standardized Tests
- Open door policy for customers
- Allows different preservation methods to be compared side-by-side for DATA DRIVEN approach.

Example of Testing: Ford Field Result: Entire Bank Used, Zero Defect



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Evaluating Packaging Systems for Ford Engine Blocks

Ford Motor Company was right engine blocks to Corte: for testing. Ford would like Cortec to determine the most effective contoxion inhibiting packaging system for these blocks to give them protection in shipment and streage.

To compare and evaluate different puckaging systems for engine blocks used by Ford Motor Conpany.

ASTM D-1748 Homidity Cabinet (120°F, 95% relative humidity)

N - Flight cylinder engine blocks, provided by Ford

VpCI-126 Riur Film (4-mil) VpCI-131 Emiture BioPal Emitters Non-VCI polyethylene (PE) weigh film.

The following procedure was used:

1) Eight origine blocks arrived on two layers of plantic durange.

2) Prior to unting, the engine blocks were divided as follows:

1 - Control (no prosection)

1 - Individually emposed in VpCI-126 blue film hug.
 Bug was closed with a zip tie.

c. 3 - On pallet with VpCI-126 blue film sheet, plastic damage, VpCI-131.

foam pads (2), VpCI-126 shroud, and plain PE stretch film.

3 — On patiet with VpC3-126 bine films short, plastic durange, BioPad emitters (2), VpC3-126 should, and plain PE specify film.

3) All angine blocks were allowed to sit oversight after packaging.

4) Allengine blocks were then placed in ASTM D-(748 humidity cabinet.

5). All engine blocks were visually impected periodically. 6) After 192 hours, all engine blocks were removed from ASTM D-1748 humidity

T) Affergine blocks were unwrapped, visually impacted and pluntegraphed.

The following results were found:



Protection System	Time to Fathers (House)
A	<24
D.	192
· · ·	24
D	24

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igam: 3: BioPad system, prior to testing



Figure & HesPail system packaged, prior to testing.

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Cortec Solutions for Automotive

- Integrated approach
- Data-driven
- 100% Quality Control Worldwide
- Proven at all major automotive companies

Trusted Globally since 1977

THANK YOU!

www.cortecvci.com

www.ecocortec.hr