

CORTEC *Vision*



CHEERS!!
CELEBRATING
A YEAR OF
MILESTONES



August 2016

A Year of Milestones for Cortec®!

Remember to celebrate
milestones as you prepare
for the road ahead.

Nelson Mandela

It has been a year of milestones at Cortec® Corporation!

500th Case History: After more than 30 years of fighting corrosion in industries around the globe, Cortec® published Case History 500 in February! Readers can now peruse hundreds of examples of Cortec's integrated corrosion prevention solutions in action, starting with its first case history from 1988 on the VpCI®-101 Device. The library goes on to include case histories on corrosion solutions for an ancient Cathedral, an air force base, historic Alcatraz, an Alaskan power plant, the world's tallest building, and much more! Cortec's substantial case history library provides an outstanding record of providing more environmentally friendly products, extending structural service life, and even

reducing corrosion claims to zero. Visit www.corteccasehistories.com to view the library or download a case history application.

10 Years of EcoCortec®: EcoCortec®, one of the most advanced bioplastics manufacturers in Europe celebrates its 10th Anniversary this year! The EcoCortec® project started in 2006 with greenfield investment by Cortec® CEO, Boris Miksic, and has since evolved into one of the most modern European manufacturers of environmentally safe films for corrosion protection. Only this year, the company sales grew by 20.6% compared to 2015. Its production capacity has tripled in the past 10 years. The plant exports more than 90 percent of its assortment to countries of Europe, Asia, and the USA.

CorteCros Acquisition: Cortec® is also pleased to publicly announce its latest acquisition of CorteCros in Split, Croatia! This Croatian company became a wholly owned subsidiary of Cortec® Corporation after Cortec® signed a contract with Crosco, Oil Services Ltd—daughter company of INA—one of the biggest oil producers in Central Europe. Cortec® previously owned 40 percent of CorteCros while 60 percent was in the hands of Crosco. This latest acquisition is the result of the company's expansion and further strengthening of its strategic position in Europe. CorteCros will be the main European location for the storage of Cortec® products as well as the products of Cortec's daughter company, Bionetix® International, which specializes in environmental biotechnology.

Industry News

Business Owner Gives Kudos to CST for Quick Service and Delivery!

The team at Cortec® Spray Technologies (CST) in Spooner, Wisconsin, received kudos this March from the president of one of its customer companies. The president noted that his company had been able to add several national accounts and grow their line of all-purpose lubricant spray, which is made and private-labeled at CST. At one point, the customer company suddenly received an 800 case order for the product at a time when they were low on stock. The Spooner team came to the rescue by manufacturing the product and shipping it to the customer without delay.



“Just wanted to give them a thank you and let you know,” the president wrote to Boris Miksic. *“As a business owner myself I always like to hear good news about my team when they go above and beyond as did Spooner.”* Learn more about CST: www.cortecspraytechnologies.com.

Cortec® Featured in Several Leading Market Studies



Freedonia Group: Industry Study #3409 - Corrosion Inhibitors

In April 2016, the Freedonia Group, a leading international industry study/data base company, published a study on the US market for corrosion inhibitors, including organics (VCIs) molybdates, nitrites, phosphates, phosphonates, silicates, and other types. Information on corrosion inhibitors was derived from several primary and secondary sources, including government agencies, trade associations, industry competitors, online databases, and other Freedonia studies. Some highlights:

- US demand for corrosion inhibitors is forecast to rise 3.1 percent per year to \$2.8 billion by year 2020; volume will approach 1.7 billion pounds.
- Global demand for corrosion inhibitors will reach \$7 billion for the same time frame, as the demand will grow at a faster pace for developing countries such as China, India, and Brazil to name a few.
- Cortec® Corporation was the only company from the VCI industry included in this study.

- Organic corrosion inhibitor (including VpCI®) demand will account for nearly one-third of the market on a volume basis, and one-half on basis of selling price by the year 2020.

Cortec® Corporation is among the top US corrosion inhibitor sellers including Ecolab/Nalco/Champion, GE, and Solenis and is the only company exclusively devoted to research, development, and global marketing of corrosion inhibitors.

P&S Market Research: Water Treatment

A June 2016 study by P&S Market Research named Cortec® as a major player in the global water treatment chemicals market. This study reports that global demand for water and water treatment is escalating due to the rapid increase in urbanization and industrial growth around the world. The 2015 global market for water treatment chemicals was valued at \$16,853.5 million and is projected to rise at a CAGR of 5.6% until 2022.

Freedonia: “Specialty Films” and “Active Intelligent Packaging”

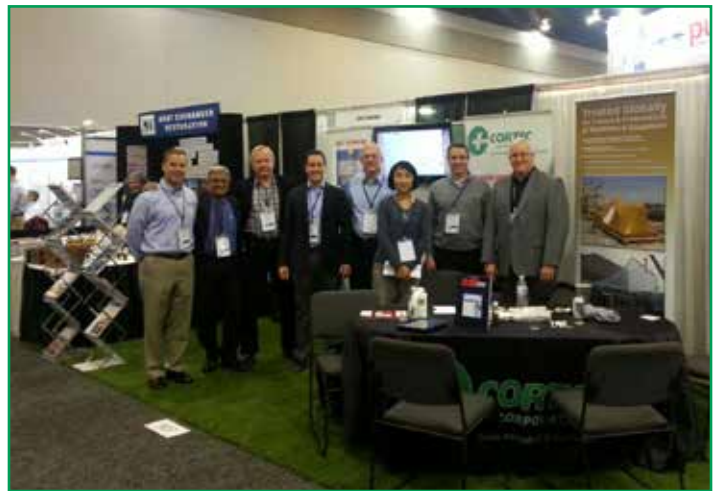
Two earlier studies by Freedonia list important Cortec® contributions to the Specialty Films and Active Intelligent Packaging markets. The reports state that as of August 2014, total annual production capacity at Cortec® Advanced Film Division (CAFD) was 20,000 tons, and as of April 2015, the combined capacity of CAFD and EcoCortec® was 44 million pounds of specialty films. Cortec® was pleased to have been included in these two market reports and looks forward to making even more contributions to these markets in the future!

Cortec® Corporation Contributes to NACE CORROSION 2016 Technical and Research Symposia

NACE CORROSION 2016, the world's largest annual corrosion conference, took place March 6th-10th in Vancouver, British Columbia. Despite discouragingly low oil prices, the event drew a large crowd of 5,200 people to examine corrosion issues. In addition to having good attendance at its booth, Cortec® and affiliates were able to join the Technical and Research Symposia by presenting six papers on corrosion inhibiting technology during the corrosion summit:

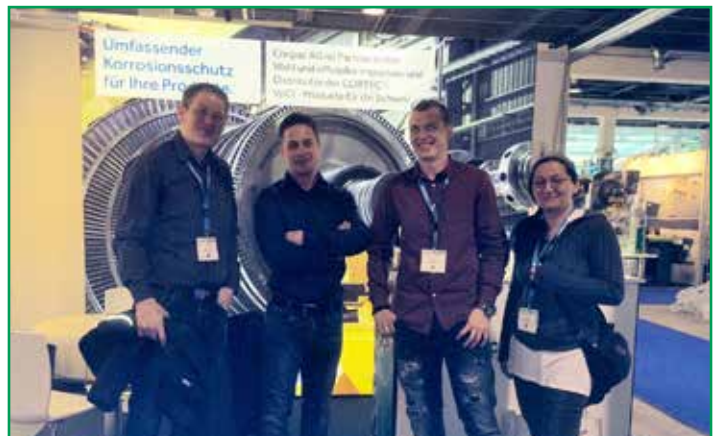
- ***Improved Packaging Film Incorporating Vapor Phase Corrosion Inhibitors and High Recycle Content***
- ***Vapor Phase Inhibitors in Functional Fluids***
- ***Detecting Corrosion Inhibitor Migration Depth in Topically-Treated Concrete Using DART-MS***
- ***Evaluation of Impressed Current Cathodically Protected API 650 Tank Bottoms in the Presence of Vapor Phase Corrosion Inhibitor***
- ***Influence of Crystalline Structure and Particle Size of Vapor Corrosion Inhibitor Powders on their Inhibiting Effectiveness***
- ***Improving the Controlled Humidity Protection Systems by Addition of Vapor Phase Corrosion Inhibitors***

Cortec® was pleased to have been a part of the exchange of ideas and looks forward to sharing 11 technical papers at EuroCorr 2016, September 11th-15th. This will be one of Cortec's biggest line-ups ever for a single conference!



Cortec® Distributor Presents VpCI® Solutions at EMPACK 2016

Longtime Cortec® distributor Corpac AG celebrated its 20th anniversary while presenting VpCI® solutions at EMPACK 2016. This packaging and logistics exhibition took place April 6th and 7th in Zurich, Switzerland, drawing 300 exhibitors and 5,243 visitors. Corpac contributed to the attendance efforts by personally sending out 300 invitations to various industries in Switzerland.



KORMAT International Conference

KORMAT 2016—Material protection and industrial coatings—was held on April 20th as part of the biennial Zagreb BIAM and Welding fairs. Professionals from several countries attended the conference and were able to improve their knowledge about construction materials and the most modern methods of corrosion protection. Mr. Ivan Rogan, director of CorteCros, presented a paper on the subject of “*Protection of equipment for storage and transport with Vapor phase Corrosion Inhibitors*” (authored by Boris Miksic, Vesna Alar, and Ivan Rogan). The paper dealt with the application of VpCI® Technology for corrosion protection of various industrial and military equipment during storage and overseas transport. Ivana Radic Borsic, Cortec’s VP of sales for Europe, was also on hand to explain the technology and benefits of Cortec’s VpCIs and give insight into contemporary services that Cortec® is providing.



Shrink Wrap Demo and More at Caterpillar 2016 Conference

Cortec® participated in the 2nd Annual Caterpillar Corrosion Engineering Conference held at the Embassy Suites in East Peoria, Illinois, where corrosion prevention product suppliers were invited to provide presentations of various subjects relating to corrosion. Each supplier had a booth, where attendees could discuss issues and obtain company and product information. During the event, Larry Mudd, Eric Uutala, and Matt Richey gave a shrink wrap demo to show the basics of shrink wrapping larger assets with innovative VpCI® corrosion protection products. Mike Gabor, Bob Dessauer, and Jessica Glanz also represented Cortec® at the conference.



New Zealand Distributor Uses Cortec® Animations to Draw Trade Show Visitors

Cortec’s New Zealand distributor, A S Harrison & Co, hosted a trade table at the Australasian Corrosion Association’s (ACA) Oil & Gas Industries Seminar in Plymouth, New Zealand, this August. Capitalizing on technical capabilities, they set up a 16 minute video loop showing four Cortec® animations:

- Cortec® Coating Technology
- MCI® Full Animation
- CorroLogic® AST
- Steel Wool Corrosion Time Lapse

Graham Lee, the business manager at Harrison, commented that the loop “*worked really well in attracting customers to the trade table,*” and the company ended up getting several follow-up contacts from the event.



Steel Wool Corrosion Time Lapse Animation

Distributor Training Opportunities

First Distributor Training at EcoCortec® Plant!

The first two-day sales training session at EcoCortec® took place May 24th-25th in Beli Manastir, Croatia. Participants were able to tour the plant and meet the hardworking EcoCortec® team before expanding their knowledge of VpCI® concepts and tools with Ivana Radic Borsic (Cortec® Europe VP of Sales). Ivana lectured on VpCI® packaging, film extrusion basics, and related markets.



Cortec® Distributor Training

Cortec® Corporation recently held another session of sales training at their headquarters, located in St. Paul, Minnesota. For two days in June, Cortec® distributors and employees from around the globe gathered to learn about Cortec® products and applications.

The trainers were the people who develop, test, sell, and market Cortec® products every day! By providing important

knowledge and tools, Cortec® seeks to help you become the anti-corrosion champion in your area!

Cortec® offers this training throughout the year, so please contact your Regional Sales Manager or Lara Nichols (lnichols@cortecvci.com) with questions! The next opportunity to participate will be posted on the Cortec® website soon!



Groundbreaking Cortec® Product Solutions

Cortec® Forever Changes the Anticorrosion Coating Business! EcoShield® 386 is the First Water Based Coating Ever with Salt Spray Resistance of Over 1,000 Hours in ASTM B117 Test!

Cortec® is excited about its incredible breakthrough in water-based corrosion inhibiting coatings through the creation and recent launch of EcoShield® 386 Water Based Coating Powered by Nano VpCl®!

This is the first water based coating able to withstand a minimum of 1,000 hours of intense salt spray exposure at super thin coverage rates. The unique acrylic based formula of EcoShield® 386 Water Based Coating Powered by Nano VpCl® uses a complex mixture of nano sized non-toxic organic inhibitors which provide protection superior to traditional corrosion inhibiting coatings.

Countless Applications: Industrial, Energy, Oil and gas, Automotive uses

Performance has exceeded even the expectations of Cortec's own ISO 17025 Accredited Lab, where it achieved reproducible corrosion protection results on carbon steel panels according to the ASTM B117 Standard (with minimal creepage from the scribe). As the test proceeded, Cortec's lab was amazed to see the carbon steel panels protected from the corrosive effects of continuous salt spray for days on end with only a 1 mil DFT coating of EcoShield® 386 applied to the metal. This level of performance is unheard of in the water based corrosion inhibitor coatings market, meaning users of EcoShield® 386 can now achieve better protection for their metal substrates than ever thought possible with a water based coating!



CorShield® VpCl®-148 Oil And Grease Resistant Paper Powered By Nano VpCl® Solves Corrosion Problem Of Leading German Automotive Manufacturer!

CorShield® VpCl®-148 is a grease resistant corrosion inhibiting paper powered by Nano VpCl®. In addition to protecting metal parts from corrosion during shipment, it is specially designed not to fail in the presence of oil and grease.

In the past year, CorShield® VpCl®-148 was effectively customized for a leading German automotive manufacturer. The shipping process would not allow the removal of processing oil from the vehicle frames. The oil was therefore eating through the protective polyethylene film during shipment, tarnishing and corroding the frames, which caused them to be rejected at their destination.

Rising to the challenge, Cortec® created 2.5-meters-wide rolls of CorShield® VpCl®-148 Oil and Grease Resistant Paper to wrap around the vehicle frames before shipping them worldwide to assembly plants. The oil resistant paper eliminated tarnish spots and corrosion by providing an innovative corrosion protection solution that did not interfere with the required process oil!



World's Largest Producer of Anticorrosion Packaging Announces its Break-through Product: EcoShield® Nitrite Free Film powered by Nano VpCl®, Patent Pending!

Cortec® offers a new innovative solution to corrosion challenges with EcoShield® VpCl®-226 Series Film – an easy to use packaging for corrosion protection. EcoShield® VpCl®-226 Series Film replaces the typical oils and desiccants used to protect packaged metal parts, not only guarding against corrosion, but eliminating extra labor time and the hassle of removing greasy coatings. Metal parts protected in EcoShield® VpCl®-226 are ready to use immediately after unpacking. Once removed, the non-toxic film (which does not contain nitrites, phosphates, or halogen-based materials) can simply be recycled



Cortec's CorShield® VpCl®-146 Reinforced Paper: The Toughest Protective Packaging Paper for Sharp or Oddly Shaped Metals!

Finding rust on steel bars and coils packaged in reinforced corrosion inhibiting paper is a fact of life for many in the steel industry. This should not be the case when top quality corrosion protection and durability is available with Cortec's premium CorShield® VpCl®-146 Reinforced Paper! CorShield® VpCl®-146 Reinforced Paper combines excellent tear strength with reliable corrosion protection through innovative VpCl® Technology. It is used in packaging metals or finished goods with pointed, oddly shaped, or sharp edges that would normally puncture non-reinforced papers and is available in widths up to approximately 100 inches (2.5 m). For those who are tired of perennial rust spots and want durable physical protection with superior corrosion protection, CorShield® VpCl®-146 Reinforced Paper is the reliable solution to needless corrosion!



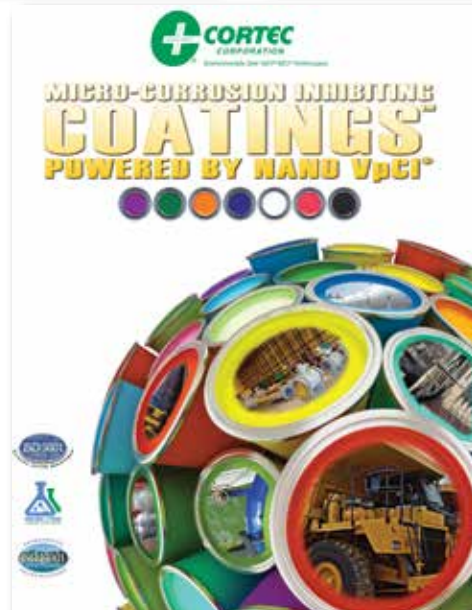
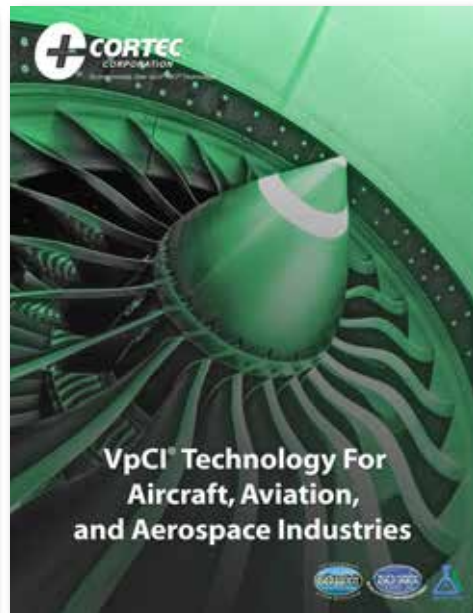
New Available Brochures

New Brochures Present Integrated Solutions for Specific Industries

Cortec® has released four new brochures in the last six months:

- Cortec® Biotechnology Brochure
- VpCI® Technology for Aircraft, Aviation, and Aerospace Industries
- VpCI® Technology for Food, Beverage, and Pharmaceutical Industries
- VpCI® Technology for Transportation and Municipalities

Cortec® is also pleased to announce the translation of its high-performance coatings brochure into Portuguese.



Recent Articles

Cortec® Featured in Multiple Trade Magazines

Cortec® has recently had a variety of articles featured in industry magazines. Visit the links below to learn more about VpCI® paper, transportation coatings, and corrosion protection for the gas and oil industries!

- Paper, VpCI Paper, Everywhere (Paper 360° magazine)
- Protecting Metals from Corrosion During Transport (PCI magazine)
- Vapor Tales: Protecting Pipelines Using Vapor Phase Corrosion Inhibitors (North American Oil & Gas Pipelines magazine)
- Multi-Phase Corrosion Protection for the Multiple Stages of Gas and Oil Production (Scandinavian Oil & Gas magazine)

Cruising Around with Cortec® CEO Boris Miksic



Boris Miksic's "island cruiser" 1984 Ferrari Mondial Cabriolet was designed and built by legendary Pininfarina. This is the rarest version of the Mondial, with only 629 units produced between 1983 and 1985. This Cabriolet model is the only four seat, mid-rear engine convertible ever manufactured by any car company. It is the first model called "quattrovalvole" having four valves per cylinder with an all-aluminum V8 genuine Ferrari Formula 1 engine. Boris's Mondial has been fully restored to original condition as it appeared in Al Pacino's movie *Scent of a Woman*.



Another Cortec branded island cruiser Boris' 1980 Rolls Royce Corniche. Same color and vintafe that was a wedding gift to Princess Diana from Queen Elizabeth.

The premier French magazine LeFigaro captured Boris Miksic's '73 Mustang March 1st on the island of Losinj.

http://www.photoericmartin.com/reportages/CROATIE_ARCHIPEL_LOSINJ.html#2



Tradeshows



SEPTEMBER

AWT 2016

September 7-10, 2016; Booth #300
San Diego, CA
www.awt.org

EuroCorr 2016

September 11-15, 2016; Booth #22
Montpellier, France
www.eurocorr.org

OCTOBER

LatinCorr 2016

October 25-28, 2016; Booth # B-01
Mexico City, Mexico
www.latincorr2016.com

ISSA (Bionetix)

October 25-28, 2016; Booth#5114
Chicago, IL
www.issa.com

NACE *NAE Conference

October 30-November 2, 2016;
Booth #110
Toronto, Ontario, Canada
<http://nae.nace.org>

NOVEMBER

Pack Expo

November 6-9, 2016; Booth #N-6331
www.packexpo.com

ICRI Fall

November 9-11, 2016
Cleveland, Ohio
www.icri.org

DECEMBER

Power Gen

December 13-15, 2016; Booth #1513
Orlando, FL
www.power-gen.com

JANUARY

World of Concrete

January 17-20, 2017
Las Vegas, NV
www.worldofconcrete.com

SSPC

January 30-February 2, 2017;
Booth #1004
Tampa, FL
www.sspc2017.com



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