

# Report: PolyOne in talks to buy Clariant masterbatch unit

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PolyOne Corp.

PolyOne sponsored the Design X Innovation program at Chinaplas 2019, including a display area called CMF (color, material, finish) Walls.

PolyOne Corp. is in talks to buy Clariant AG's masterbatch unit, according to a Bloomberg News report quoting unnamed sources.

Clariant wants "about \$1.5 billion" for the business, according to the Bloomberg report. Clariant and PolyOne officials declined to comment to Bloomberg.

There is "no certainty" that the talks will lead to a deal, according to the report.

A source close to one of the companies told *Plastics News* that a deal with PolyOne makes sense, but that private equity buyers may also be interested in the Clariant business.

"They don't have the synergy of the company already in the business, so they might not be willing to pay as much as PolyOne," the source said.

A deal with PolyOne makes sense since the Avon Lake, Ohio-based company is in the process of selling its PVC compounding business to SK Capital Partners for \$775 million in cash. That deal is scheduled to close by the end of 2019.

A PolyOne-Clariant deal would be subject to scrutiny for antitrust issues, since both companies are major players in the plastics masterbatch market.

Clariant, which is based in Muttenz, Switzerland, has been trying to sell its additives and masterbatch business and concentrate instead on its more profitable pharmaceutical business.

In July, talks fell apart to combine Clariant's additive and masterbatch business with part of Saudi Basic Industries Corp.'s engineering resins business. At the time, the companies said plans for the joint venture had been shelved due to "current market conditions," and could be picked up at a later stage with a different scope.

But Clariant Chief Financial Officer Patrick Jany told analysts July 25 that Clariant will now sell its entire masterbatch business instead of including it in a joint venture with Sabic. Clariant will be at K 2019 in Düsseldorf, Germany, Oct. 16-23, at Hall 8A, Booth J11.

## *Letter to the Editor*

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