

Reach Service Industry Emerges

A growing number of consulting firms, regulatory service companies, legal firms, and industry-affiliated organizations are developing tools to assist chemical firms with the European Union's (EU) Reach program. Chemical companies importing chemicals into Europe are required to have a presence, such as a subsidiary company, in Europe or be a member of a registered trade association.

Regulatory services firm 3e (Carlsbad, CA), which has offices in Copenhagen, says it is considering whether to offer itself as the legal European arm for chemical firms importing into Europe. "We've had lots of requests, but there are liability issues," says Jytte Syska v.p./international operations at 3E's Copenhagen office.

3e has just established a dedicated Reach practice, as it is "getting so much demand for Reach services from our existing clients," says Jeffrey Starr, 3e v.p./marketing. The company provides a global regulatory service. "About 90% of what we do is impacted by Reach," Starr says.

Syska foresees a series of issues that could undermine the ability of firms to gather the necessary data required under Reach. Companies not well aware of the Reach program—such as a paints manufacturer in Korea whose products are used in cars exported to Europe—suddenly will find themselves subject to Reach, Syska says. Such producers will not be familiar with the European approach to regulations, she says. "It will be complex because suppliers in the chemical sector won't readily comply with this," she adds. The EU importer of the car will need to know all of the background of each substance included in safety data sheets, "and then some," Syska says. "This will have a big impact on the supply chain."

U.S. chemicals manufacturers could also find themselves facing difficulties. "In the U.S. a chemical manufacturer may be allowed to enter the words 'proprietary information' in forms when detailing the characteristics of a potentially hazardous chemical in official documentation in the U.S. But companies won't be allowed to do this in Europe—they will have to provide detailed information," Syska says.

Another issue that may hit chemical firms inside and outside the EU is substance identification. Reach applies to substances, not mixtures, and it is essential that substances are identified, and that equivalent substances are identified so that they can be dealt with as one substance under Reach. 3E uses a regulatory database that groups generic groups of chemicals together to ensure that all common data sets for families of chemical substances are recognized, Syska says. "Although a chemist's expertise is still required," she says.

Chemical Industries Association (CIA; London) says it has created an affiliate company, ReachReady, that has more than 1,000 companies subscribing to its services. It has a range of offerings including: a help desk; a research tool so that firms can determine if certain chemicals come under the scope of Reach; and software tools including one to assess costs, and another to help chemical firms identify service companies that they might require as they implement Reach.

Industry group Chemical Business Association's (CBA; Crewe, U.K.) members have launched another service offering, the Reach Facilitation Company for small- to medium-size companies (ReFaC). The service is designed to help take chemicals through the Reach process, CBA says. "Most likely we will put the majority of our [Whyte Group's] products into ReFac for them to do the work," says Melvyn Whyte, head of Whyte Group and president of CBA. "At the same time, any of the really large products we will do inhouse. It comes down to economics," he says.

Cefic is offering services including data handling and consortia management under the name of ReachCentrum.

Consulting firms also are beginning to offer chemical firms a range of services aimed at easing the implementation of Reach, with particular emphasis on information technology (IT)-based data management solutions. Implementing a Reach-oriented IT system, such as SAP's tailored information management system "will certainly save you in terms of Reach costs," says Kimberly Knickle, research program director at Manufacturing Insights, part of market research firm IDC.



Starr: Demand for services rises.



Syska: Gathering data for Reach.

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