



Say no to corrosion, say yes to savings!

A&E Group's innovative Alocit and Enviropeel brands are global leaders in providing anti-corrosion solutions

By Behonce Beh

For certain industries, corrosion is a foul word.

The cost incurred due to corrosion is globally estimated to be between 4% to 6% of the gross domestic product (GDP) or approximately US\$1.6 trillion (RM5.12 trillion) that is lost every year from the world's economy.

NACE International, the premier authority for corrosion control solutions estimates that the annual cost of corrosion in Malaysia is US\$6.7 billion.

"Of that figure, 50% can be saved with the right know how and technology," said A&E Group CEO Arthur Haycox.

Aside from cost factors, corrosion is the



Haycox firmly believes that corrosion is an erosion of assets, thus for most companies, the longer they keep the assets, the more profitable they are

basis for future problems which include the replacement of valuable infrastructure and equipment, loss of production and increased demands on resources. Safety, too, can be compromised by failing equipment due to corrosion.

Established in 2005, A&E Group is a Malaysian anti-corrosion technology company. Its innovative Alocit and Enviropeel brands are global leaders in providing anti-corrosion solutions.

Haycox himself has been involved in the corrosion industry since the 1960s with expertise in control and application technologies.

"Corrosion is an erosion of people's asset, so the longer you keep the asset, the more profitable they are."

In combating corrosion, A&E developed the Enviropeel system, the first system in the world to use sprayable thermoplastic polymers for long-term corrosion protection.

"The Enviropeel system was developed commercially by Malaysian and UK engineers and entrepreneurs," he added.

While the thermoplastic polymers technology have been available for over 30 years, A&E took this substance and modified it to become what it is today for its products. Currently, the company is the only one in the world with the technology to apply the product via the spraying technique for its Enviropeel product.

"Enviropeel is the first sprayable barrier-coating system to be deployed on offshore platforms in Asia, the Gulf of Mexico, the North Sea, Mediterranean and Bass Straits in Australia," he said.

Enviropeel works in the way where the thermoplastic polymer substance is melted at 170°C which is then sprayed on to the surface.

The solution then solidifies in approximately two minutes. The end product is not rock solid as it has a flexible nature akin to rubber.

Closer to home, Haycox said that the rate of corrosion in Malaysia is higher than in most parts of the world due to the coastal peripheral areas and tropical weather.

"The extreme humidity causes rust to



Enviropeel is able to cocoon any particular part of the machinery, and is thus being able to prevent corrosion

form much more rapidly and the extent of corrosion is visible much earlier especially in manufacturing areas closer to the coast."

Regardless of its innovative nature, Haycox said that it was difficult for the market to grasp the simplicity of the idea.

"One of the challenges in marketing the product is that many people cannot believe that it is so simple," explained Haycox.

"Therefore, it takes some convincing through the products itself, the years of research and development that went into it and the certification from recognised and respected bodies like NACE.

Their persistence paid off as it is the first system of its kind to win approval from some of the world's largest corporations, such as BHP Billiton, Rio Tinto, Chevron and ConocoPhillips.

Being in such a niche market also meant that the workforce has to be highly specialised too.

"Finding people to train can be a difficult process as most qualified engineers (with degree qualifications) are not keen to work from the ground up and sometimes expect to come in at the managerial level already."

"Here we believe that working offshore does help them to truly understand the products and how it works in extreme elements and such locations help them best."

Moving forward, A&E is looking to form strategic partnerships to further expand their capabilities.

"These partners would ideally provide ideas and avenues to continue building the company," said Haycox.

When asked whether the company is interested to list over the next, Haycox clarified that A&E is currently keen on strategic partners.

"We are currently in talks with larger players in the industry for a strategic equity partner."

Features of Enviropeel

- Easy to remove
- Reusable and waste free
- Helps stop corrosion immediately
- Helps reduce wear and tear
- Extends component life
- Environmentally friendly
- Helps reduce labour costs and maintenance-related accidents
- No VOCs or harmful chemicals