

Table of Contents

- 2 Business Wire
- 3-4 Codes & Legislation
- 4 Promotions
- 5 Standards & Applications
- 6 2008 New Product Review
- 7 Technical Service Tips
- 8 Announcements
- Glasstec 2008
- Events

White in a New Light

Crisp New Polar White Added to Vanceva® Color Studio by Saflex®

The newest addition to the Vanceva® White Collection, Saflex® is proud to introduce Polar White. A crisp, white opaque PVB based interlayer, Vanceva® Polar White provides the architectural marketplace with countless new design options. Offering unsurpassed opacity that allows for total privacy and exceptional uniformed color,

of glass in a single unit – for example, opaque white on one side and vibrant tangerine on the other – gives designers the ability to create original, dramatic and even reversible designs,” added Marren. Vanceva Polar White interlayer is also compatible with all other Saflex interlayers when higher PVB thickness is needed.



Office Interior, Solutia Europe

Vanceva Polar White interlayer is ideally suited for both commercial and residential applications. “With a light transmittance level of only 8 percent, Vanceva Polar White is an innovative way to add privacy, drama and balance to interior and exterior laminated glass applications,” says Doug Marren, market manager for the Americas, Saflex. “From residential doors, side-lites and transoms to curtain walls, partitions and conference rooms, the versatility of Polar White is limited only by one’s imagination.”

The new Polar White interlayer can be used alone as a single layer in a glass laminate or combined with any of the colored interlayers offered by the Vanceva color system. “The ability to achieve two different colors

In addition to the wide variety of design options, Vanceva interlayers give architects and designers the proven performance benefits of laminated glass, including safety, security, sound reduction and the structural integrity they have come to expect from Saflex protective interlayer products.

Vanceva Polar White interlayer is offered in .38mm: 0.015 inch (15 gauge) thickness for the architectural and design market. For information about Vanceva Polar White or to request a sample visit www.vanceva.com/polarwhite or contact the Saflex Architectural Glazing Solutions Centre at glazin@solutia.com.



Douglas Marren
Market Manager Americas

“Florida’s residential new construction market has dropped much more than other regions ”

Demand for Residential Impact Products Continues to Drop

Our Residential Hurricane Emerging Market Study was recently updated and the results only confirm what’s widely known—demand for impact windows and doors continue to show double digit declines in the residential hurricane market. The study is based on tracking residential building permits as provided by the U.S. Census Bureau but only for regions that are rated 120 mph or greater according to the ASCE 7-98 map and are mandated to meet the impact resistance standards by the IRC or local building codes.

While the big story continues to be the significant drop in impact window and door demand, the bigger story is that Florida’s residential new construction market has dropped much more than other regions and consequently has lost the large market share that it has historically held on impact windows and doors. As little as five years ago it was believed that Florida had over 80 percent of the impact windows in residential construction. Due to the dramatic decline in residential construction over the last few years in the state of Florida, the study shows that Florida is at 37 percent market share.

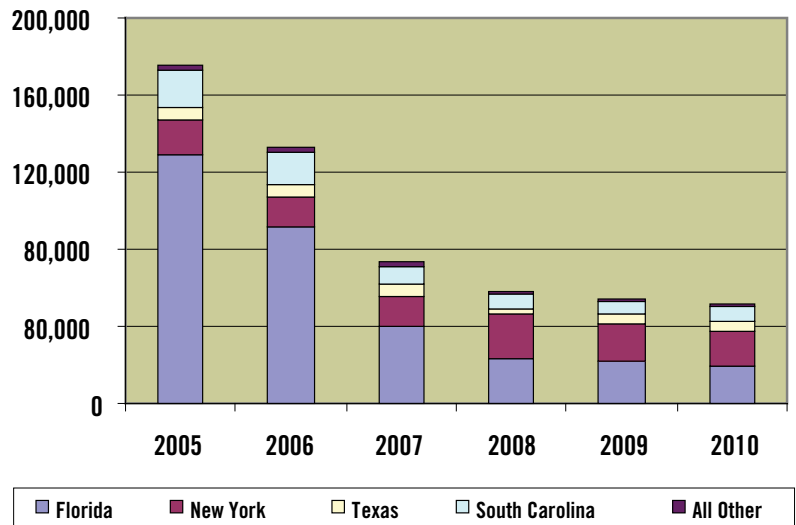
Fortunately, there are some trends that are mitigating the overall declines. Enforcement of building codes continue to improve at the state level notably Texas, Georgia, and South Carolina. As reported earlier this year, Hawaii is about to adopt unified, statewide building codes that will help make buildings safer and make designing them more efficient and easier to insure. A new 2007 law established a Code Council to adopt a statewide code based on the IBC. The new codes are expected to be adopted during 2008.

Progress continues in Florida when the state updated to 2006 IBC/IRC 2006 last month and now requires opening protection when renovations costing more than \$50,000 are performed on homes valued at \$750,000 or more.

The million dollar question now is when will the residential market return? The latest reports from industry sources predict the following:

- According to McGraw-Hill Construction, October 23, 2008, next year will see a 4 percent decline in single-family home construction. That amounts to an expected 2 percent drop in the dollar value of contracts. Multifamily home construction will drop 8 percent and 6 percent in dollar value.
- The NAHB’s top economist, David Seiders, projects new single-family home sales to bottom in the fourth quarter of 2008 at a seasonally-adjusted rate of 450,000 units,

Impact Window / Door Units - Usage in Hurricane Region for new Residential Construction



before rebounding to a seasonally-adjusted rate of 600,000 by 2009’s end. Finally, new-home starts will bottom at 740,000 units in the first quarter of 2009, growing to 835,000 units by the end of 2009, and to 1.1 million by the end of 2010.

It continues to be anyone’s guess on how the market downturn will play out and what the impact will be to manufacturers. This Emerging Market Study will be updated again in spring of 2009. All we can hope for is that the worst is behind us.

Codes & Legislation



Nanette Lockwood
Legislative Affairs
Director

“Specific to the hurricane prone states, during 2008, Solutia helped successfully defeat attempts to repeal legislation...”

Stronger Building Codes Move Forward During 2008

More Work is Needed to Ensure Structures are Hurricane Resistant Along the US Hurricane Coast

Despite the massive wakeup call provided by Hurricanes Katrina, Rita, and Ike, there are still challenges when convincing state governments that disaster resistant building codes are a bargain compared to repairing damages from storms. But that hasn't stopped us from working to help change attitudes and influence positive legislation.

Solutia's Government Affairs staff has continued its high profile status to the state legislative arena, and has also expanded its activities to the Federal level. Solutia continues to deliver the message to policymakers that “stronger legislation is needed because at least 90 percent of all states allow new structures to be built below the standards required by current model building codes, which gives the public a false sense of security and exposes the US and local economies to unnecessary financial risks.”

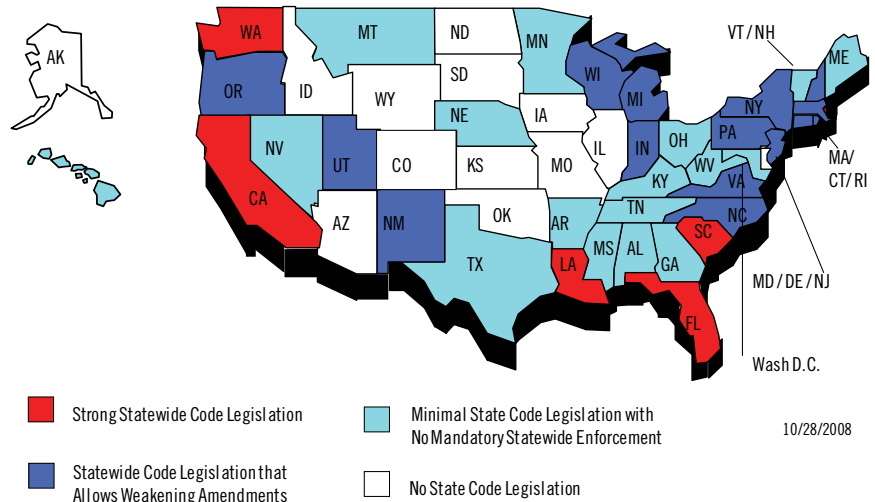
Specific to the hurricane prone states, during 2008, Solutia helped successfully defeat attempts to repeal legislation in Louisiana, enact new legislation in Mississippi, introduce strong legislation in Alabama, prevent weakening of the new Massachusetts building code during adoption, and introduce strong federal legislation providing incentives to states that adopt and enforce model building codes.

- **Louisiana** – We worked with insurers to help develop and promote solutions to the issues raised by proposed legislation that would have severely weakened building code enforcement throughout the state. Moreover, we helped generate significant local media attention to the proposed legislation through our continued participation in the Bahamas Weather Conference.
- **Mississippi** - We helped draft and enact new legislation requiring updated codes, which reinforces the previous code adoption in coastal areas. While a statewide code is

difficult to obtain in Mississippi due to the opposition of the county administrators, enforcement of current model codes has increased over 70 percent since 2005 which demonstrates the benefits obtained from persistently educating lawmakers, the media and the public.

- **Alabama** - We were successful in helping pass strong code legislation in the House that would have mandated current model codes for residential and commercial construction in areas enforcing codes, but

Current State Building Code Legislation



were unsuccessful in the Senate due to other issues. Additionally, many firefighters strongly opposed the legislation because jurisdictions would be unable to modify or strengthen the code locally. We are addressing these issues and hope to enact strong legislation in 2009.

- **Massachusetts** - We were instrumental in helping the regulatory agency understand and reject proposals that would have severely limited the new wind-borne debris region of Massachusetts' first hurricane resistant building code. Although the new residential and commercial codes fail to interpolate between the wind speed contours as required by the model codes, the adopted wind-borne debris region remains intact.
- **US HR 3926** – Solutia worked closely with the insurance industry to successfully introduce key legislation in the

(continued on page 4)

(Codes & Legislation continued)

Codes & Legislation

U.S. House of Representatives, along with three co-sponsors. This legislation allows states, which adopt and enforce model building codes, to qualify for an additional four percent of the post-disaster mitigation funding received under FEMA's Hazard Mitigation Grant Program. State and local governments can also obtain pre-mitigation grants to establish building code enforcement programs. Home builders' objections to the inability to modify and thus weaken the codes locally

caused a fatal delay. However, we are working diligently to address these concerns and educate the members about the negative impact modifications have on disaster resistance and hope to be successful in 2009.

If you would like to participate in this federal initiative, please contact Nanette Lockwood at njlock@solutia.com.

Promotions



Aimee Davis
Global Marketing
Communications
Manager

“...with all of the negative messages out in the media, this is a key opportunity to build your brand in the minds of your customers.”

Communicating in a Down Economy

In the 1980's, when Sam Walton was asked his opinion of the recession, he said, "I have thought about it and I decided not to participate." The goal of Wal-Mart then, and that of many companies today; is not only to simply survive the recession, but to grow in spite of it. How? The key is communication. Often in economic downturns, the first item to be cut is the marketing budget. However, during



times of economic growth, companies will often increase their spending on communications and advertising, but rarely are they able to relate that to increased market share. Why? Because the competition has also increased their communication budget. While what you spend on communications during times of slow growth or decline may not bring increased returns, it can equate to increased market share, which in the long term is a key determinate of profitability.

Let's face it – with all of the negative messages out in the media, this is a key opportunity to build your brand in the minds of your customers. Particularly since much

of your competition will not be spending their time or money building their brands during the coming months. Maintaining communication during these tough economic times requires a well thought out strategy. Here are few key considerations to ensure success:

Revisit your message: Make sure that you understand what your customers are dealing with in the marketplace and reflect that in your communications. In the coming months, your customers will not stop buying all together, but they will be looking for more value from your company's products and services. You may want to take this opportunity to position additional product benefits that may now resonate with customers who are seeking "added value."

Increase frequency: During uncertain times, people turn to brands that they trust. Communicating to your customers your key brand values during a recession tells them that you not only are still here, but that you will be here for them for years to come. This is also a great time to take advantage of low cost communications. Emails and existing websites are great vehicles to communicate with customers. While you may cut your trade show budget or print advertising, be sure to beef up the frequency of your other low cost – high impact communications to offset the change.

Short term pain for long term gain: While many have and will take a financial loss during the coming months, maintaining market communications during this time can help your company rebound faster after the economy has recovered. This is because you will have not stopped your "conversation" with your customers. When companies severely reduce or eliminate communications altogether, they risk serious brand damage over the long term. Customers will quickly become distracted with their own problems, and when you suddenly reappear, you risk losing your place among the various choices they have in front of them.

Standards & Applications



Julie Schimmelpenning
Architectural Technical
Application Manager

“Saflex® SilentGlass Technology™ is a proprietary, advanced acoustical interlayer system designed to dampen noise and decrease sound transmission of perceived noise.”

The New Sound of Silence

At home, at work and almost everywhere in between, noise has become an overwhelming problem in our society. Increases in population density mean more people, cars, airplanes, traffic, road construction, lawn mowers and leaf blowers. New studies have shown that this constant exposure to noise can have adverse effects on people, both physically and psychologically. In fact, many people consider “quiet” one of life’s new luxuries.

With all of this noise, there’s no doubt: the acoustical market is increasing, and a combination of glass and

acoustical solutions for any structure that will reduce the perception of noise by up to 50% in the critical frequency area of 1,000 Hz to 3,000 Hz, which is the range in which most speech is heard and understood, compared to laminated glass made with standard PVB.

The acoustical interlayer is designed to achieve noise reduction in buildings using the same traditional overall glass thickness as typically used in tempered glass or laminated glass made with a standard PVB interlayer, and may be able to achieve desired acoustical performance



interlayers offers a powerful acoustic solution. Saflex® SilentGlass Technology™ is a proprietary, advanced acoustical interlayer system designed to dampen noise and decrease sound transmission of perceived noise.

While we may not be able to do much about the airplanes that rumble overhead, we can control the acoustic properties of the places we live and work. One of the best ways to combat uncontrollable environmental noise is to actually incorporate noise-abatement properties into our architectural structures and internal environments.

A very efficient and cost-effective way of addressing the increasing demand for acoustical solutions is to install better window systems. Windows made with Saflex SilentGlass Technology™ acoustical interlayer can be quite versatile in the thickness of glass utilized in the initial phase of construction to accommodate the structural design as well as in the custom aspects of the interlayer. This design versatility enables the creation of custom

with thinner configurations. This allows for more flexibility in the air space for increased energy conservation. Additionally, the acoustical interlayer meets all U.S. federal safety glazing requirements and can therefore be used in areas deemed as hazardous locations by the building code such as doors, skylights and overhead glazing.

Proven to suppress the coincident effect of glass, where glass becomes transparent to sound, Saflex’s new advanced acoustical interlayer is ideal for use in both interior and exterior applications. Used in a building’s exterior, it can reduce noise from rail, traffic, construction, speech and other airborne noise and significantly improve building sound comfort. It is also ideal for interior applications requiring sound reduction such as cubical dividers, office partitions and enclosed mall storefronts.

For additional information about designing for acoustical comfort, contact Julie Schimmelpenning at jcschi@solutia.com.

2008 New Product Review

Advanced 'Level E' Protection

Introducing a new configuration of high-performance interlayer that meets Level E—the recommended glazing standard for essential facilities—in a single lite of laminated glazing, the Saflex® Level E hurricane product uses a combination of Saflex's toughest interlayers resulting in a durable and cost-effective solution. Until recently, meeting Level E meant choosing from less-than-desirable options: polycarbonate, double laminated insulating units or just going without window openings. Although polycarbonates have been used when necessary, there have been significant concerns about the durability of the product over time. Target applications include hospitals, emergency shelters, police stations, and fire houses.



Saflex® SilentGlass Technology™

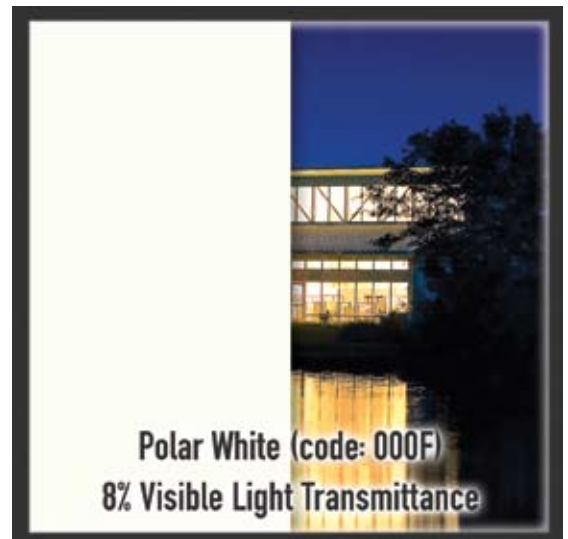


Winnie Palmer Hospital for Women and Babies - Orlando, Florida

Saflex® SilentGlass Technology™ combines three interlayers which are designed to decouple and disseminate sound waves for state-of-the-art sound dampening performance. The heart of this patent pending product is an advanced acoustical interlayer that transforms sound energy into heat energy, which then easily and quietly dissipates. Utilizing Saflex's SilentGlass Technology in a window system can result in a reduction of up to 10 decibels in the "transparent" frequency. This equates to up to a 50 percent reduction in perceived sound.

Vanceva® White Collection: New Polar White

A crisp, white opaque PVB based interlayer, Vanceva® Polar White provides the architectural marketplace with countless new design options. Offering superior opacity that allows for total privacy and exceptional uniformed color, Vanceva Polar White interlayer is ideally suited for both commercial and residential applications. With a light transmittance level of only 8 percent, Vanceva Polar White is an innovative way to add privacy, drama and balance to interior and exterior laminated glass applications. The new Polar White interlayer can be used alone as a single layer in a glass laminate or combined with any of the colored interlayers offered by the Vanceva color system. www.vanceva.com/polarwhite



Technical Service Tips



P. Daniel Laporte
Architectural MTS Manager

“...we need to place focus on the following key areas: Quality Control, Preventive Maintenance and Proper Training”

Focus on Process

A year ago, we were reminding people how climate and humidity changes affect the level of static electricity on PVB and clean rooms, which, in turn, increase levels of contamination in laminates. This year, we would like to send out a friendly reminder on keeping the focus on the process even when everybody is trying to pinch pennies during the current economic downturn.

Today, most people are focused on the rising fuel and energy costs and the increase in competition for laminated products. It seems everybody is trying to do things faster and cheaper. However, this needs to be done without

the proper temperature and humidity, the laminating ovens are properly preheated and pressure to the presses are correct. Also remember that prior to making any significant processing changes you need to make sure that there are no adverse issues with the laminate, especially in terms of adhesion and visual quality.

Preventive Maintenance: With people in cost cutting modes, we need to remember that keeping equipment in proper order is imperative to the laminating process. Whether it is cleaning out the washers, replacing spent oven bulbs, calibrating the oven presses, or running the



compromising the essential quality aspects of the laminate itself. We want to be careful that we are not sacrificing the visual and energy absorbing qualities that are the cornerstone characteristics of the PVB laminate.

In order to accomplish these things, we need to place focus on the following key areas:

Quality Control: Whether you are a laminator with a full fledged QC department or simply using your supervisors and lamination crews, you need to make sure you are following all of your documented procedures and practices to ensure you are consistently making good laminates. This starts with the glass washing and PVB handling steps and ends with autoclaving and final inspections. Have a checklist that includes things like making sure the wash water is at the correct temperature, the clean room is clean and at

burn out cycle on the autoclave, they are all important to both the safety of the people running the equipment as well as the quality of the final product going out the door.

Proper Training: Turnover in the glass industry remains high and with some companies constantly adjusting or reducing shifts, it is crucial to make sure that all operators get the proper training required to safely produce good quality laminates. Operators need to understand the proper protective equipment necessary to do their jobs. They also need to know the best practices in producing laminated glass.

Concentrating on these key areas should enable us all to continue producing quality laminated glass while still improving the bottom line.

Announcements

Meet Matt Rose: New Saflex® Commercial Market Manager



Matt Rose
Saflex Commercial
Market Manager

Matt Rose, the newest member of the Saflex® North American Architectural Marketing Team, joined Solutia in October as the division's Commercial Market Manager based out of the company's headquarters in St. Louis.

Rose will liaison with glazing contractors, commercial framing manufacturers, residential window manufacturers, architects, and other professionals in the architectural laminated glazing market. His responsibilities will include introducing Saflex branded products to these groups along with providing technical, marketing, and branded program support.

Rose comes to the Saflex team with a background in marketing and product development from Ingersoll Rand, an international supplier to transportation, manufacturing, HVAC, supermarket and construction industries. During

his tenure at Ingersoll Rand, Rose served as a Marketing Analyst, Assistant Product Manager, and Product Manager. Rose earned a Master of Business Administration from Saint Louis University's John Cook School of Business in 2005 and a Bachelor of Science in Business Administration from the University of Missouri-Columbia in 2003.

"I am truly honored to be a part of the Saflex team," said Rose. "I am looking forward to using my experience and education to help Saflex expand its leadership position as a supplier of high quality products."

Rose also comes to Solutia with significant volunteer experience. He has worked with American Cancer Society, Meals-On-Wheels, and the Special Olympics. He also taught at an elementary school as a lay missionary in Belize, Central America.



Saflex's newest plant expansion in Ghent, Belgium features glass made with Vanceva color interlayers by Saflex in the building design.

Glasstec 2008

At Glasstec 2008 in October, Saflex® showcased the recently completed Third Extrusion Line (TEL) located at its plant in Ghent, Belgium. This start-up marks a significant milestone for the business, which has been focusing on improved regional capability and service levels over the past several years.

"We continue to invest across our Saflex business in order

to meet the growing demands of our customers worldwide," said Luc De Temmerman, president of Solutia's Saflex unit. "This project is a key part of our global growth strategy for the Saflex business." Saflex is also in the process of adding 12,000 metric tons of PVB resin capacity at its Indian Orchard site in Springfield, Mass., USA, and will add a further 15,000 metric tons in Antwerp, Belgium by mid-2010.

Events

Saflex® Calendar of Industry Events

EcoBuild

Dec 10 – 13, Washington DC

International Builders Show

Jan 20 – 23, Las Vegas, NV

Glass Week

Feb 12 – 15, Las Vegas, NV

BEC

Feb 15 – 17, Las Vegas, NV

WDMA Leadership Summit

Feb 15 – 17, Tucson, AZ

AAMA 72nd Annual Meeting

Feb 22 – 25, Coronado, CA