## New Rubber Product Rejuvenates Industry

## Challenge

The rubber industry took hold in Sri Lanka more than 125 years ago, when the island was still known as Ceylon and was still ruled by the British. Rubber remains a driving force for the country's economy; 300,000 Sri Lankans are dependent on it. Latex crepe, created in Sri Lanka to be used for the manufacture of clear adhesives and light-colored articles, is considered the "champagne" of natural rubber and has historically fared well in international markets. But over the years, demand shifted to synthetics, depressing prices. Producers' failure to market latex crepe imaginatively and with a clear understanding of end-user needs only compounded the problem. Among the hardest hit were smallholder growers, who contribute more than 60 percent of Sri Lanka's average production of 110,000 tons of rubber a year.



Photo: Gemunu Amarasinghe

Created at a rubber plant in Moratuwa, Sri Lanka, this new polymer promises to boost Sri Lanka's reputation as a premium rubber supplier to the global market.

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## Initiative

USAID promoted collaboration among latex crepe producers to develop Lankaprene—a rubber of superior visual quality and unique consistency that can be marketed as a new polymer at higher prices. After a USAID-supported "rubber cluster" study tour of Akron, Ohio, many visiting producers met with their consumers for the first time and returned to Sri Lanka with more realistic ideas of how to satisfy customer needs. This initiative formed intra-industry partnerships and generated public-private dialogue which have been instrumental in modernizing processing plants, providing relevant training and setting up procedures to deliver more top-grade latex crepe that satisfies consumer demand.

## Results

USAID's support and assistance have proven catalytic for Lankaprene producers. Since its trial launch in 2004, Lankaprene has developed a reputation as one of the purest forms of natural rubber available and an excellent material for a range of sophisticated products. Marketing and certification schemes appeal to consumers in search of superior-performance rubber for highly sophisticated products—especially U.S.-based industries. Consignments have been delivered at a premium of 25 percent over regular latex crepe prices, and producers geared up to deliver higher volumes during the second half of 2004.



