



See The Difference We Make

The Broadest Selection of Pigments Worldwide

November 2020 Newsletter: See the Difference We Make

Check out this month's issue to learn about the following:

- Trends in the Pigment Market 2020
- Regulatory Update: Brexit and the New UK Chemical Regulations
- DCL's New Building Signs
- Events
 - Upcoming Webinar: Lead Chrome Alternatives for Coatings
 - Re-watch Past Webinar: Pigments for Injection Molding Applications



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Trends in the Pigment Market 2020

Introduction

It is no surprise that 2020 was a difficult year for many businesses, including the pigment industry. The general economy took a hit worldwide due to COVID, however we are seeing a recovery in the market now. Supply disruptions at the beginning of 2020 were caused by plant shutdowns in Asia, responsible for most pigment raw materials. Further, there are still ongoing supply disruptions caused by the lack of shipping capacity as many businesses are trying to raise inventory levels in the Fall.

Which Pigment Applications are in Most Demand?

Some pigment applications have risen, while others have fallen. Increased sales of **packaged goods** have in turn, increased the use of pigments for inks used to color labels and make plastic packaging. We are also seeing increased sales of **decorative house paint**, as people working from home have redecorated or remodeled. Colors are trending towards warm hues as people are spending more time at home and want to create a calming vibe. During this year there has also been **strong housing sales** driven by a need for more space as families have found themselves in a situation where their home is now a place where they also work and go to school. Broad swaths of the economy have declined, such as travel & leisure spending, but these are service intensive industries that do not tend to be large pigment consumers. We are also seeing a general decline in household spending/increase in savings, which could translate into a surge of spending when the pandemic ends.



What has happened to Tariffs?

There is no indication that the 25% tariff into the US for Chinese made pigments will go away anytime soon. The timing of our new Organic Pigment production in Canada has been very good and allows us to offer duty and tariff free pigments to our North America customers. These products are also advantageous to our customers worldwide.

Are Pigment Prices Increasing or Decreasing?

Pigment prices are trending slightly upwards due to cost increases from shortages of raw materials (some due to them being diverted for use in sanitizer and astringent due to COVID) and the decline of the USD vs. currencies such as RMB and INR. We are seeing increases with phthalocyanines and select HPPs from the organics side, and BVs from the inorganics side, due to a rise in Vanadium costs.

DCL's Response to COVID-19 & Market Trends

DCL is the preferred supply partner to help you *weather this storm – we are in this together*. We are an essential business that has remained open throughout the global pandemic, and we will continue to forge on into 2021. We are managing supply disruptions by increasing our lead times and increasing our safety stock levels. Further, we are continuing to invest in our future, through the implementation of the new organic pigment production in Canada and other internal initiatives, such as upgrading our ERP system.



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Regulatory Update:

Brexit and the New UK Chemical Regulations

The United Kingdom left the European Union on the 31st of January 2020. Since then the country has been in a transition period which will end on the 31st of December 2020, and a new UK legal framework will come into place on the 1st of January 2021.

There are ongoing trade negotiations between the UK and the EU with a view to allowing frictionless trade between the two territories. Irrespective of this however, a new UK chemical regulatory framework will come into place. This will replace REACH, CLP and the Biocide regulations. Although the new UK statutes are essentially copies of the existing EU regulations and directives, with the same aim of protecting human health and the environment, there will be significant differences in how compliance is managed and the new requirements are implemented.

When UK-REACH comes into effect, all chemicals will have to be notified to the UK authorities within 300 days and then fully registered in either two, four or six years depending on the annual quantities manufactured or imported.

As an importer of chemicals, both from the EU and further afield, Waterfoot will have new obligations to notify the classifications of the chemicals we bring in under GB-CLP, as well as notifying under UK-REACH to allow us up to six years to prepare and complete our registrations. We are also currently working with our UK suppliers to ensure they are ready for their new obligations.

From the 1st of January, the UK will be considered a third country from the EU. This will mean that the duties of EU-REACH fall on the supply of our products to our EU customers, rather than our upstream supply chain. Our customers, of course, do not want to pick up the additional burden of EU-REACH now that they are purchasing from a non-EU entity, and we do not want them to switch to an EU supplier. We have, therefore, engaged with our suppliers to ensure on-going EU-REACH compliance through their existing registrations, and where this is not possible, our procurement and supply chain teams are working on alternative solutions to allow us to keep all of our products on the market in the UK and EU without interruption or the need for reformulation.



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DCL's New Building Signs

We are pleased to announce that our building signs are being updated, worldwide. Next time you visit us (when we can see customers again!), you will be able to see them. Until then, we have some photos to share with you!



Ajax, Canada



Waterfoot, UK



Pearl River, USA



New Toronto, Canada



Maastricht, NL



Rhode Island, USA



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Events

Upcoming Webinar: Lead Chrome Alternative Pigments for Coatings

We are hosting two upcoming webinars for Lead Chrome Alternatives, (LCAs), being presented by Patrick Chan (Regional Sales Director – Asia Pacific). Should regulatory concerns or requirements prompt you to consider alternatives you may find this information to be very helpful. While no one pigment or combination of pigments can replace the performance of Lead Chromates and Molybdenum Oxides in all applications, DCL has the broadest range of LCA's to help with your replacement needs in specific applications.



Patrick graduated from Nanyang Technological University of Singapore in 1994 with a Degree in Materials Engineering. He also received a Graduate Diploma in Marketing the following year from the Singapore Management University. Patrick worked for Sumitomo Bakelite and Eastman Chemicals for 8 years before joining Dominion Colour Corporation (now known as DCL Corporation). He has been working in Sales from 2002 until the present.

Dates:

- LCAs in Asia Pacific Region: December 1, 10:00 – 11:00 PM EST
- LCAs in Europe, MEA and the Americas: December 9, 9:00 – 10:00 AM EST

Past Webinar (Re-watch): Pigments for Injection Molding applications!



Check out our new events page to re-watch this webinar to learn about pigment selection and the effects of heat stability and warpage on the end product, due to the pigment choice.

Check out our [NEW Events Page](#) on our website for more information!



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Your Sales Representatives

Please contact your regional sales representative for more information on the products advertised here and any others in our product range.

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About DCL Corporation

DCL Corporation is a manufacturer and supplier of pigments for our customers in the coatings, plastics, printing ink and paper industries worldwide. Our extensive range of pigments is backed by technical expertise, our commitment to service excellence, continuous improvement, environmental, health, safety and social responsibility. Please visit www.pigments.com for more information on our product range.