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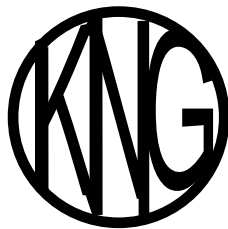
# THE U.S. PAINT & COATINGS INDUSTRY, 2011-2016

## A Multiclient Study Prospectus

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**Kusumgar, Nerlfi & Growney** is pleased to announce their newest technical and business multiclient market research study, **THE U. S. PAINT & COATINGS INDUSTRY, 2011-2016**. This in-depth technical and economic analysis will provide subscribers with detailed information on paint and coating consumption by end use, base resin binders, curing agents, solvents, environmentally friendly coating technologies, coating forms, resin suppliers, coating formulators, and other associated raw materials and manufacturers serving the industry. The report is **our fourth analysis** of the industry.

The study will characterize paint and coating consumption for base year 2011, and will provide projections for usage in 2016. Coating and resin pricing, pricing trends, competitive material dynamics, the impact of legislation, green trends, and industry concentration via mergers and acquisition will be evaluated.



**KUSUMGAR, NERLFI & GROWNEY**

45 Willow Street

Elmwood Park, NJ 07407

Phone: 201-773-0785

Fax: 201-773-8517

E-Mail: [nerfikng@cs.com](mailto:nerfikng@cs.com)

[www.kusumgar-nerlfi-growney.com](http://www.kusumgar-nerlfi-growney.com)

## COATINGS: Recovery From Recessionary Lows

The U.S. coatings industry has declined significantly from the peaks of 2006-2007. In 2009, the industry hit bottom; a modest recovery began in 2010. The U.S. economy and coating industries are facing growing challenges. Coating formulators are struggling to contain costs, while still providing improved product performance. Green technologies and materials are demanded by regulators, professionals, and consumers. Solvent regulations continue to change and require constant monitoring. Companies continue to commercialize new products with novel properties. Globalization of coating technologies is fostering change. The above issues and many more will be addressed in **THE U. S. PAINT & COATINGS INDUSTRY, 2011-2016**.

Coating consumption in the U. S. was 1.34 billion gallons worth \$19.5 billion in 2009. Volume is down -21% from 2006 and value -18%. The industry is divided into three major segments: architectural, original equipment manufacturers (OEM), and special purpose. Table 1 summarizes estimated consumption by segment for 2006 and 2009. **Architectural** coatings were 55% of the coating gallons and 42% of the dollars in 2009. The housing industry has declined significantly the last few years and commercial building activity has also fallen dramatically.

**OEM** coatings were the leading dollar value segment in the industry at the start of the century but architectural coatings surpassed it early on. OEM coating volume plunged in 2008 and 2009 with automotive having the steepest drop. The OEM segment comprised 22% of the coating volume and about one-third of the dollars in 2009. Consumption in many OEM end uses is tied to the manufacturing economy and several coating outlets have suffered as production has moved offshore.

**Special purpose coatings** were 22% of the coating industry volume and nearly one-quarter of the value. Larger end uses in the segment are automotive refinish, industrial maintenance, marine, roofs, traffic paint and aerosols. All end uses have declined in recent years as consumers and industry reduced their purchases. Greener coatings continue to be demanded. Cool roofs are an example of a technology that has surged as it offers reduced building energy costs and is seen as fighting climate change.

Some \$10 billion of **raw materials** were consumed by the coatings industry in 2009. Resins were about one-half of this material cost and are a major driver in the development of improved coatings. WB polyurethanes, polyureas, alkyds, and vinyl versatate polymers are among the faster growing resin technologies. Pigments were about one-quarter of the material value. Additives were 10% of the coating material cost and are keys to successful product development and performance. Solvents comprised 10% of the raw material costs.

<b>Table 1</b>					
<b>U.S. COATING CONSUMPTION BY SEGMENT, IN MILLIONS</b>					
<b>Segment</b>	<b>2006</b>		<b>2009</b>		<b>% Change</b>
	<b>Gallons</b>	<b>\$</b>	<b>Gallons</b>	<b>\$</b>	
Architectural	924	9520	740	8100	-20
OEM	395	8560	300	6600	-24
Special Purpose	377	5750	300	4770	-20
<b>TOTAL</b>	<b>1696</b>	<b>23830</b>	<b>1340</b>	<b>19470</b>	<b>-21</b>

## **THE STUDY**

**THE U. S. PAINT & COATINGS INDUSTRY, 2011-2016** will characterize U. S. consumption of coatings during 2011 and estimate consumption in the year 2016. The approximately 1,200 page report will provide a comprehensive analysis of formulated products, resins, pigments and solvents. A thorough business analysis will be provided which includes profiles of leading coating formulators. Profitability, distribution, significant trends, new developments, green issues, regulatory implications, mergers and acquisitions, and technology will be covered in detail.

Subscribers will find **THE U. S. PAINT & COATINGS INDUSTRY, 2011-2016** the definitive reference work. Current participants, and those contemplating entry, will find the study essential in their planning process. Firms introducing new materials and technologies will find the study particularly attractive.

**THE U. S. PAINT & COATINGS INDUSTRY** will be based on some 800 interviews with formulators, raw materials suppliers, equipment manufacturers, end users, and trade associations. Additionally, available literature will be reviewed and analyzed. Kusumgar, Nerlfi & Growney's extensive knowledge of the industry, gained over the last three decades, insures an accurate and comprehensive report. The study is scheduled for completion at the end of the first quarter of 2012.

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## **FOREWORD**

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## **ABBREVIATIONS**

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- Overview
- Market Segment Review
- Coating Technologies
- Raw Material Summary
- Supplier Structure, Raw Materials
- Supplier Structure, Coatings
- Significant Trends

## **BUSINESS ANALYSIS**

- Overview
- Technology Assessment
- Supplier Structure, Coatings
- Supplier Profiles, Coatings
- Raw Materials
- Government Regulations
- Captive Markets
- Mergers and Acquisitions

## **CLEANER COATING TECHNOLOGIES**

- Water-Based
- High Solids (Solvent-Based)
- Powder
- Electrodeposition
- Radiation-Cured

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- Appliances
- Automotive
- Automotive Parts – Metal
- Automotive Parts – Plastic
- Coil
- Electrical Insulation
- Electronic Conformal and Powders
- General Metal
- Graphic Arts (overprints)
- Machinery and Equipment
- Magnet Wire
- Metal Containers

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Metal Furniture  
Other Land Transportation  
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Pipe  
Prefinished Wood and Composition Flat Boards  
Release  
Wood Furniture  
Miscellaneous OEM

## **Architectural Coatings**

Summary  
Interior, Water-Based  
Exterior, Water-Based  
Interior, Solvent-Based  
Exterior, Solvent-Based  
Miscellaneous Architectural

## **Special Purpose Coatings**

Summary  
Aerosol  
Automotive Refinish  
Decks and Other Membrane Waterproofing  
Fire Retardant/Resistive  
Industrial Maintenance  
Marine  
Roof  
Traffic  
Miscellaneous Special Purpose

## **RAW MATERIALS**

### **Resins**

Acrylic  
Alkyd  
Amino  
Bituminous  
Cellulosic  
Epoxy  
Polyester  
Polyurethane  
Polyvinyl Acetates  
Polyvinyl Chlorides  
Silicones and Siliconates  
Vinyl Versatates  
Miscellaneous Resins

### **Pigments**

### **Solvents**

## **RESPONDENTS**

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## OUR QUALIFICATIONS

Kusumgar, Nerlfi & Growney is a consulting firm specializing in market research and business analysis for the polymer and chemical industries. Members of the firm possess over 70 years of experience analyzing the coating, ink, and adhesive industries. Kusumgar, Nerlfi & Growney is dedicated to providing comprehensive and accurate information and insight on technology driven markets.

The information and analyses contained in **THE U. S. PAINT & COATINGS INDUSTRY, 2011-2016** will be developed by Michael Growney, Minesh Kusumgar and Steven Nerlfi. No outside contractors will be employed. Our expertise has been gained from conducting over 35 multiclient and numerous proprietary studies.

## ADDITIONAL SERVICES

Kusumgar, Nerlfi & Growney's current project is **THE GLOBAL ADHESIVES INDUSTRY**. Completion of the study is expected September 2010. Interested parties should contact Kusumgar, Nerlfi & Growney for the prospectus and additional information. Our newest report, **GLOBAL COATING & INK ADDITIVES**, completed in March, 2010, is available for immediate delivery. In September 2009 we published our **GLOBAL PAINT & COATINGS** study. Kusumgar, Nerlfi & Growney also welcomes inquiries for projects of a proprietary nature.

## SUBSCRIPTION INFORMATION

**THE U. S. PAINT & COATINGS INDUSTRY, 2011-2016** is available through subscription. The study is scheduled for completion at the end of the first quarter of 2012. The price of the study is \$10,000 prior to December 1, 2010 and \$14,000 for post publication. Intermediate pricing will vary depending on subscription date. Subscription includes 5 CD copies (PDF) of the report. Additional copies are available upon request for \$700. A corporate use license is available for \$2,000. To subscribe, please complete and sign the contract on the following page and return to Kusumgar, Nerlfi & Growney. For additional information please call Kusumgar, Nerlfi & Growney at 201-773-0785 (FAX: 201-773-8517) or e-mail us at [nerlfikng@cs.com](mailto:nerlfikng@cs.com).

**CONTRACT FOR THE U. S. PAINT & COATINGS INDUSTRY, 2011-2016**

**KUSUMGAR, NERLFI & GROWNEY**  
**45 Willow Street**  
**Elmwood Park, NJ 07407**  
**Phone: 201-773-0785**  
**Fax: 201-773-8517**

Please initiate our participation in **THE U. S. PAINT & COATINGS INDUSTRY, 2011-2016**. We understand this study will analyze the United States market. We understand our subscription entitles us to five CD copies of this final report.

We agree that for a period of three years from publication to:

1. Not reproduce the study, in whole or in part, by any means.
2. Restrict use of the study to our own employees.
3. Prevent the disclosure of its contents, to the best of our ability, to any other firm or person.

We understand that we may disclose the contents of this study to any firm that we own more than half of, or to a company that maintains more than a half interest in our firm. We may use or disclose any information in the study which is public knowledge, in our possession before receiving the report, or that has been obtained from third parties, but not from this study.

Kusumgar, Nerlfi & Growney will take reasonable precautions to prevent disclosure of the contents of this study, except to subscribers, for a period of three years after it is issued.

We understand the fee for **THE U. S. PAINT & COATINGS INDUSTRY, 2011-2016** is \$10,000 for early subscription (before December 1, 2010) and \$14,000 after publication. Intermediate pricing will vary depending on subscription date.

Kusumgar, Nerlfi & Growney will invoice us for the full amount upon acceptance of our participation, after a countersigned copy of this contract is returned to us for our records. We will pay this invoice within thirty days.

Accepted: Kusumgar, Nerlfi & Growney

Subscriber:

Signature

Signature

Name

Name

Title

Title

Date

Date

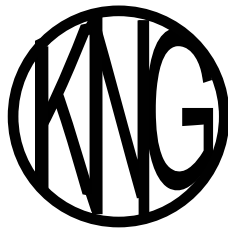
# **POLYMER AND CHEMICAL BUSINESS ANALYSIS AND MARKET RESEARCH**

## **ADDITIONAL SERVICES**

**THE U. S. PAINT & COATINGS INDUSTRY, 2011-2016** is Kusumgar, Nerlfi & Growney's nineteenth multiclient study. Studies immediately available, or scheduled for completion, include:

- **THE ASIAN COATINGS INDUSTRY**, September 2005
- **RADIATION-CURED PRODUCTS, 2005-2010**, July 2006
- **THE U.S. PAINT & COATINGS INDUSTRY, 2006-2011**, September 2007
- **ASIAN COATING ADDITIVES**, May 2008
- **ASIAN PAINT & COATINGS**, September 2008
- **ASIAN ADHESIVES & SEALANTS**, March 2009
- **GLOBAL PAINT & COATINGS**, October 2009
- **GLOBAL COATING & INK ADDITIVES**, March 2010
- **THE GLOBAL ADHESIVES INDUSTRY**, September 2010

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E-Mail: [nerfikng@cs.com](mailto:nerfikng@cs.com)

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