

PRIME TIME NEWS



→ *A Brief Look Inside Canada's Coatings Industry* →

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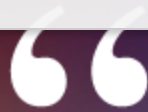
JULY 2020

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Companies that invest more in digital transformation actually outperform their peers over time. These companies are more prepared for disruption, better able to monetize new digital channels, and better able to build a bigger user base.

Geoff Cubitt, CEO, Isobar US

CPCA'S LATEST ADVOCACY EFFORTS

- CPCA Updates List of Federal/Provincial COVID-19 Restrictions
- CMP Resumes with Publication of Chemical Risk Assessment Reports
- CPCA Submits Risk Management Analysis to Health Canada on MEKO Alternatives
- More Information Obtained on the RM Instrument Development for Cobalt Compounds
- CIC Consumer Products Working Group Redesigning Public Education Materials
- CPCA/ACA Propose Terms of Reference for a New Bilateral Coatings and Adhesives Working Group (CAWG)
- Clarification Obtained Regarding the Use of Virucidal Claims in Paint and Treated Articles in Canada
- CPCA Meets PMRA on New Approaches for Post-Market Re-evaluation Program
- Recycling Surplus Funds Finally Returned to Paint Stewards in Ontario
- Product Care Holds Informational Webinar on MHSW Program Wind-up Plan and Surplus Funds Transfer
- RPRA Consults on Regulations Transitioning MHSW to Full Producer Responsibility in Ontario

PLEASE NOTE: Should members require further information on any of the above or other items included in this newsletter they can search them on the [CoatingsHUB](#) or contact CPCA directly.


 AND COATINGS
ASSOCIATION

 DE L'INDUSTRIE DE LA PEINTURE
ET DU REVÊTEMENT

INSIGHT 2021

ADVERTISING OPPORTUNITIES NOW OPEN

CPCA INSIGHT, Industry Guide and Directory, is the resource for the most relevant Canadian paint and coatings industry information. Providing an annual snapshot of the Canadian paint and coatings industry and offering a wealth of useful, easily accessible reference information about the CPCA, its members, its activities and its services. INSIGHT is distributed along with CFCM's Buyer's Guide to over 5,000 CASE companies in Canada and the US. With a readership comprised of high level executives and the c-suite advertisers can bolster their marketing efforts. INSIGHT is also available online and in a digital format for all CPCA Members.

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RESCHEDULED TO MAY 2021

CPCA'S 107th ANNUAL CONFERENCE & AGM

Driving Change & Innovation: One Coating at a Time

*CPCA's Annual Conference has been rescheduled for next May.
Mark your Calendars as the Conference will take place May 26 & 27, 2021
at the Fairmont Chateau Frontenac in Québec City.*


 CANADIAN PAINT
AND COATINGS
ASSOCIATION

 ASSOCIATION CANADIENNE
DE L'INDUSTRIE DE LA PEINTURE
ET DU REVÊTEMENT

PRESIDENT'S MESSAGE

The federal Finance Minister tabled an 'economic snapshot' of the Canadian fiscal situation four months into the COVID-19 pandemic. To predict the future as many have done - and will do - is akin to timing the market, which some will try anyway. The fact remains the economy must chug along as best it can and employ all reasonable measures to stay afloat and consider the repayment plan at a future date via the HST and other means.

This snapshot was the first comprehensive look into the cost of the government's response to COVID-19 and the resiliency



other countries. It does not contain any new program spending or its fiscal situation beyond the end of this fiscal year. As noted by Minister Morneau, “the possibility of further outbreaks looms on the horizon, and accurate long-term forecasting is impossible in such a volatile environment.” One thing is almost certain, another shut down is not contemplated as neither the government or businesses can endure a second lock-down without plunging into a depression.

Some important numbers to note in the ‘snapshot’ are as follows:

- Canada’s projected deficit for 2020-2021 is \$343.2 billion, more than 10 times the pre-COVID projected deficit of \$28 billion and a debt of \$1.2 trillion to service
- 5.5 million Canadians – 30% of the workforce – either lost their jobs or saw their hours significantly cut in March and April
- Private-sector economists expect the economy to contract by 6.8% in 2020, its sharpest drop since the Great Depression, before rebounding by 5.5% in 2021. This forecast leaves GDP below 2019 levels at least into 2022.
- Over 8 million Canadians accessed the Canada Emergency Response Benefit (CERB) while out of work
- To date, about 3 million Canadian workers have had their jobs supported through the Canada Emergency Wage Subsidy (CEWS) and there is still \$60 billion available and it has been extended to the end of the year as a result
- Over 680,000 small businesses received interest-free loans through the Canada Emergency Business Account (CEBA), which is critical, but most consider not enough for many to keep the doors open to year-end
- 15 million low and modest-income Canadians received a special GST credit top-up
- The numbers paint a picture of a government response that was effective in some areas and not so much in others. They will need to determine how to ensure small businesses can remain open especially in the service and tourism sectors such as restaurants, bars, coffee shops, etc. who have to live with half the normal clientele. What business can do that?

The CERB was a very popular program, expected to cost the government \$80.5 billion but the wage subsidy is still under-utilized by companies. But that is to be expected as it is difficult for many companies to keep paying employees who cannot work from home to any great degree. The *Canada Emergency Commercial Rent Assistance* (CECRA) has been ignored by many landlords and not one company has made use of the Large Employer Emergency Financing Facility (LEEFF).

It is widely recognized that the government rolled out the most substantial peace-time assistance package in history in only a few months and remained open to improvements throughout the process. Yet, the government needs to figure out how to deploy the funds that have not been tapped in the service and tourism sectors, by re-jigging the programs so that businesses can employ more people who can then, in turn, help drive more demand in the parts of the economy that can operate more normally. The funds have already been budgeted and should be used to the best effect possible for the workers and businesses who have fallen between the cracks. It would also be good to know, as many observers noted, how the government will rebuild the economy with a further stimulus effort that could include unspent funds in the infrastructure program, for example. It will also need to

economy. It all adds up.

It remains a moving target and will continue to evolve in the coming weeks. It's better for business to be open than closed and we are all getting used to navigating the streets and buildings in the new normal until a vaccine is available some time in the new year, at the latest.

Gary LeRoux
President & CEO



NOW LIVE

CPCA's CMP SUBSTANCE DATABASE

CPCA's Substance Database is NOW LIVE on the Canada CoatingsHUB, complete with over 1,100 CASE related chemicals, sorted by CAS-RN, providing members the current status on chemicals in commerce and any changes being considered.

*To book a training session
contact mditullio@canpaint.com*

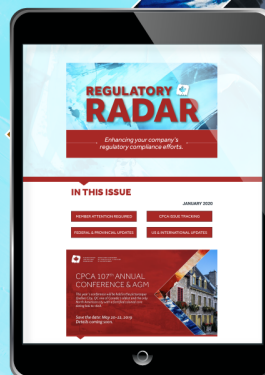


REGULATORY RADAR

WHAT MEMBERS READ TO STAY
AHEAD OF REGULATIONS

The RegulatoryRADAR is Canada's premiere publication for the coatings industry. Get this 'member only' publication for better outcomes for your business.

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CPCA Members Benefit from Discount Prices for WCC Global Market Analysis for the Paint & Coatings Industry (2019 – 2024)

The **ChemQuest Group** announced the publication and availability of the U.S. Market Analysis for the Paint & Coatings Industry (2019–2024) and Global Market Analysis for the Paint & Coatings Industry (2019–2024). For the first time, the longstanding American Coatings Association (ACA) market studies are being published in tandem to provide a fuller view of international markets and the future direction of the industry, technology, and competitive landscape. The studies' new chapter formats are synced and similarly scoped for ease of comparing U.S. and global market performance. They also incorporate findings from in-depth interviews with key industry experts to provide a solid base for analyzing the impact of trends and drivers in major market segments, making the studies the go-to resource for paint and coatings industry executive business planning.

Product Care Holds Webinar on MHSW Program Windup in Ontario

Product Care recently hosted an important webinar regarding the upcoming transfer of surplus funds to Product Care as part of the Municipal Hazardous or Special Waste (MHSW) Program Wind-Up Plan. 100 per cent of the Paint surplus funds were transferred to Product Care on July 9 to be applied in fee reductions for paint stewards in Ontario. This was done following extensive advocacy by CPCA during the MHSW windup phase carried out by Stewardship Ontario. The Minister of Environment, Conservation and Parks specifically directed Stewardship Ontario to return 100 % of the surplus funds as it was originally intended to be implemented by Stewardship Ontario. However, paint stewards left Stewardship Ontario to form its own Industry Stewardship Plan in 2015 and have operated independently since then. As such CPCA members saw no reason to revert back in the administration of the fee reductions with the surplus and under Product Care there would be substantial efficiencies in administering those funds than under Stewardship Ontario.

Ontario MECP Consults on Transitioning MHSW to Full Producer Responsibility

The Ministry is moving forward with transitioning the waste diversion program for Municipal Hazardous or Special Waste (MHSW) to full producer responsibility by July 2021. A new MHSW regulation will be developed in the Fall of 2020 and is fully expected to be in effect in July 2021 and there would appear to be no rational reason for delaying the development of the regulations with respect to the material categories now operating effectively as independent ISOs. However, some expect that Stewardship Ontario may seek to cause some delay as they stand to gain even more administration costs than currently allotted under the MHSW windup program, which is already viewed by many as excessive at \$7.2 million.

PMRA Publishes Its Proposed Decisions for the Cluster Analysis of Six Paint Preservatives

several reduced maximum rates are being applied along with additional risk mitigation measures for three of them. These measures refer to restrictions in the handling of the materials during production and for professional painters to wear additional PPE. The latter could require an enhanced outreach/stewardship program.

CPCA Provides Guidance on Virucidal Claims for New Paint and Treated Articles Sold in Canada

CASE manufacturers are striving to develop new products that incorporate additives that provide some protection against COVID-19 and a number of other viruses/bacteria for product handlers. As such, CPCA obtained further guidance from PMRA as to how and when anti-viral claims can be made.

CPCA Updates Members on Continuing Microplastic Restriction Activities in the EU

The European Union is moving ahead with restrictions on the use of intentionally added microplastics in consumer or professional use products of any kind. The European Chemicals Agency (ECHA) has now advanced its work on the proposed microplastics restrictions as a result of the formal opinion offered by the Risk Assessment Committee (RAC) and pending action by the Committee for Socio-economic Analysis (SEAC). Under the newly proposed restrictions now open for consultation, it appears that only water-based paints and coatings have some potential for release of primary microplastic particles to the environment. Secondary microplastics originating from degradation of paint films are not targeted. However, the new scope covers potential releases during manufacturing activities and that is of some concern for industry. Industry associations in the EU such as CEPE in Brussels will be advocating for a more detailed analysis of these matters in the coming weeks and companies based in other countries, including the United States and Canada, will be monitoring developments closely and providing support where appropriate.

TDMA Manufacturers Press EU on Titanium Dioxide

The Titanium Dioxide Manufacturers Association and its member companies submitted an action to the General Court of the European Union seeking an annulment of its recent classification of TiO₂. The group expressed concern over the basis of the classification as well as uncertainties surrounding the interpretation of the classification itself. "The classification would do nothing to increase the level of protection of human health and the environment, which is the whole point of the labelling and classification system," said Robert Bird, chairman of the TDMA.

World Coatings Council Rescheduled 2021 Coatings Summit to October 27-29, 2021

Given the uncertainty surrounding the COVID-19 restrictions, expected to continue into next year, the 2021 Coatings Summit, previously set for January 2021 in Miami, Florida, has been rescheduled for October of next year at the same location. In the

its Sustainability Report and will soon be issuing a contract in response to a recent RFP to secure professional support in developing metrics for the report.

New UN Lead Publication

As part of the efforts of the UN Lead Paint Alliance (LPA), the World Health Organization (WHO) has recently completed a new summary publication on test methods for lead content in paint. The World Countings Council continues to liaise with the UN LPA and provide support and assistance in communicating concerns related to lead in paint for decorative coatings across the globe.



Please consult the CPCA Coatings/HUB for more details on each topic.

MEMBER RECOGNITION

AkzoNobel's Michelle Sullivan Honored by Women's Industry Network

Michelle Sullivan, strategic sales manager for [AkzoNobel](#), received the Cornerstone Award from WIN.

Ace Hardware Names Benjamin Moore its Preferred Paint Supplier

Benjamin Moore paints are now available at more than 3,500 participating [Ace Hardware stores nationwide](#), in addition to BM's existing network of 5,000+ locally owned and operated independent retailers.

BASF Recognized by General Motors as Its 2019 Supplier of the Year Winner and with Overdrive Award for Sustainability

[BASF was honoured](#) for the 15th time during a virtual ceremony of GM's 28th annual Supplier of the Year awards in June 2020. The Overdrive Award for Sustainable Construction and Workspaces, performance recognizes BASF beyond its traditional work for GM and the automotive assembly industry.

PPG Again Rated Among Top Five for IT Career Development

PPG announced that [IDG Communication's Insider Pro](#) and [Computerworld](#) have named the company one of the "Best Places to Work in IT," and rated PPG in the top five of companies for career development in 2020. PPG is among 100 top organizations that engage, challenge and develop their information technology function while providing exceptional training, collaborative environments, benefits and compensation.

BASF Among the Corporate Knights' 10 Top International Corporate Citizens for Their Activities in Canada

[Read More...](#)



SUSTAINABILITY

Lonza Expects EPA Approval 'Very Soon' to Make COVID-killing Claims for Surface Disinfectants

Lonza Group AG is in the "last step" of discussions with U.S. regulators for approval to claim that its formulation is effective in killing the novel Coronavirus on surfaces.

Ferry Reduces Environmental Impact with PPG Coating

A new PPG coating for Ferries achieves higher speeds and reduces energy consumption and thus shrinks the overall environmental footprint for an essential transportation service. This new PPG system utilizes a technology breakthrough – dynamic surface regeneration, to eliminate slime problems and keep the hull completely smooth from the outset, enabling the ship to move smoothly through the water, reducing power requirements throughout operations compared to traditional fouling release products.

BASF Launches Bitumen Additive Designed to Makes Roads More Durable

BASF has spent several years developing an innovative bitumen additive designed to extend the average road life span by up to 50 per cent.

Clariant Raises the Bar for Sustainable Coatings Solutions

Ceridust 1060 is a bio-based wax additive for furniture, flooring, window frames and beams, that is certified by EcoTain label for products that have undergone a screening process using 36 socio-economic, environmental and economic criteria, exceeding sustainability market standards and offering best-in-class performance. Other Clariant product series are next-generation, high-performance label-free UV absorbers, that are certified for waterborne coatings which improved weatherings as well as next-generation pigments and co-dispersions of inorganic pigments.

BASF, Dow Chemical, Eastman Chemical, and NOVA Chemicals Focus on Increasing Plastics Circularity

These companies are innovating to find new end-of-life solutions for post-consumer resins. BASF has finished a life-cycle analysis showing the environmental benefits of its pyrolysis process that is associated with the end-of-life management approach to handle mixed plastics. DOW has recently developed a family of PCR resins that will ultimately be available worldwide. The PCR resins are made with scrap flexible and rigid plastic packaging, and can be used in both films and rigid packaging.

PPG Launched New Architectural Coating to Extend Repaint Cycles
PPG ULTRALAST™ paint + primer is the first to feature proprietary PPG CLEAN SURFACE TECHNOLOGY™, which protects walls using the same tough, scratch-resistant and easy-clean surface technology used for car exteriors and mobile phones. In addition to resistance to mildew on the dry paint film, the paint reduces the need for abrasive cleaners and sponges which remove paint and gloss off the walls and extends repaint cycles.

The International Organization for Standardization (ISO) Initiated Work on a Globally Recognized Mass Balance Standard for the Industry

The **mass balance approach** is a mechanism to start the large-scale phasing out of fossil raw materials with the goal of a fully converted industry. The concept of Traceable Mass Balance will likely underpin this new sustainability standard.

CHAMPION: A Research and Innovation Action Aims to Replace Conventional Polymers with Novel Bio-based Polymers

The initiative is called **CHAMPION** (Circular High-performance Aza-Michael Polymers as Innovative materials Originating from Nature) will focus on Coatings, Structural Adhesives, Home Care and Textiles.

Readings

[How to Marry ESG & Financial Reporting to Reap Big Benefits](#)

[VIDEO: Delivering a Sustainable and Resilient Supply Chain: Implementing Lessons Learnt from Covid-19](#)

TECHNOLOGY & INNOVATION

New Antimicrobial Film for Improved Interactive Touch Screen Safety

Property owners and managers can now be equipped with antimicrobial films for their digital directories, digital signage and kiosk touch screens.

Antiviral Coating on Textiles Destroys SARS-CoV-2 Virus

When people move around in public places, **the SARS-CoV-2 droplets can land on our clothes**. And through our clothes, they can also end up contaminating our hands and objects. The SARS-CoV-2 virus remains active on textiles for up to two days. This new groundbreaking silver and vesicle (liposome) technology destroys bacteria as well as *viral envelopes and can be applied* to textiles during the final production stage. The antiviral effect of washable fabrics has been verified for over 30 gentle laundry cycles and the coating can also be replaced.

Antimicrobial Cationic Acrylate-based Hybrid Coatings Against Microorganism Contamination

Porous Chitin-nanofibrous Structure via Layer-by-layer Self-assembly

Scientists have studied the growth of [porous chitin-nanofibrous structure](#) under existing ionic effects for antireflective and antifogging coatings.

New Infrared Reflecting Black Pigment to Aid Recycling of Black Plastic

Black is a popular color used for plastic packaging, which is mostly [carbon black pigment](#). The carbon black pigmentation absorbs the light from the emitter used in plastic sorting centers, which prevents the sensor from identifying the polymer used, so the material is then rejected and not recycled. A new IR Black pigment is optimized for infrared sorting of plastics.

Additional Readings

- [The Current State of Thickness Measurement](#)
- [Evaluating High-Gloss, Direct-to-metal, FEVE-based Waterborne Coatings](#)
- [The Latest Performance Enhancing Additives](#)
- [Understanding ISO 12944](#)

ECONOMIC NEWS

New Canada-United States-Mexico Agreement Came Into Force on July 1

See the key changes affecting [imports](#), the certifying of the [origin of goods](#) and the increase to low-value shipment thresholds of goods and [other changes](#).

Canada's Economic Forecasts

In Canada, unlike the U.S., the daily count of new Covid-19 cases continues to decline, buoying hope for recovery of the economy. [Preliminary Statistics Canada data](#) for May show a 3 per cent gain in GDP as the economy gradually reopened. Output in the most affected industries could nevertheless remain depressed and the effect on the labour market could be great. Canadian bank economists are maintaining a scenario contraction of the economy in 2020, in the order of 7 per cent, while the recent OECD and IMF forecasts call for a contraction exceeding 8 per cent. [The most optimistic forecast](#) assumes that even if the second wave of Covid-19 arrives, measures to combat it will be much more targeted than the across-the-board lockdown decreed in response to the first wave.

COVID-19: EDC Predicts 20 Per Cent Drop in Exports Before Rebounding in 2021

[Automotive, aerospace and energy](#) will be the big contributors to the 2020 drop. [Trade confidence](#) among Canadian exporters hits all-time low.

A recent [Abacus Data survey in Canada](#) shows that recovery efforts must be green if we are to address the climate and biodiversity crises along with the linkages between planetary health and human health. “[Green strings](#)” are those key principles, criteria, and conditionalities that are critical to apply to our ongoing economic stimulus and recovery efforts. Environmental organizations across Canada are coming together in support of seven principles IISD experts say should guide recovery efforts.

CoatingsWorld Publishes Top 80 Companies Report

[Six CPCA members](#) are among the top 15 paint manufacturers and one Canadian-based company, Cloverdale Paint, is listed among the top 50.

Global Chemical M&A, Corporate Activity to Pick Up

Coming out of the [coronavirus crisis](#), it is a good time for companies to not only take stock of their portfolios but to also take action - by making acquisitions to transform or to let go of non-core assets in 2020 and 2021.

SSPC, NACE Enter into Definitive Agreement

[SSPC](#): The Society for Protective Coatings and NACE International, The Corrosion Society announced that they have officially entered into a definitive agreement to combine.

Canadian economic indicators

- [Total New Light Vehicle Sales for Q2 of 2020 Down Nearly 45 Percent, SUV Captures 47.1 Percent of the Market Share](#)
- [Trend in Housing Starts Increased 8.3 Per Cent in June 2020](#)
- [CMHC Tightens Mortgage Rule Requirements for Homebuyers on July 1](#)

Additional Readings

- [Conference Board of Canada Go-To Source on Workplace Inclusion in Canada](#)
- [Canada Among the 50 Countries Implement International Regulations for Semi-autonomous Automobiles](#)
- [KPMG: Canada's Automotive Future](#)
- [Wood Coatings Market Trends 2020-2026 with COVID-19 Impact](#)
- [Corrosion Resistant Coatings and Paints Market 2020-2025](#)
- [Gartner Identifies In-car Technologies to Help Mitigate Spread of COVID-19](#)
- [Business Models to Reach at-Home Consumers During COVID-19](#)
- [The Coatings Group News Podcast Brings the Latest Coatings Industry News from around the World in one Handy Bite-sized Weekly Podcast](#)

INTERNATIONAL NEWS

See Recent Marketing Firm Projections for

- Global Coating Resins
- Global Epoxy ResinsGreen Coatings
- Photocatalytic Coatings
- Antimicrobial Coatings
- Automotive Paints and Coatings Polymer Modified Cementitious Coatings
- Thermal Spray CoatingsContact Adhesives with a COVID-19 Impact Analysis
- Construction Adhesives with Covid-19 Impact Analysis
- Electronic Adhesives
- Fluoroelastomers
- Pressure Sensitive Adhesives
- Surgical Sealants and Adhesives
- Aerospace Adhesives and Sealants



Open the **Monthly Report** on International Market Research for the Paint and Coatings, Adhesives and Sealants Industry.

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