

# PRIME TIME NEWS

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“ Paint is the Only Reason Ships Last 20 Years. ”

Dr Raouf Kattan, Founder Safinah Group

## PRESIDENT'S MESSAGE



March 2025

### Fair Trade is More Trade

Since everyone is talking tariffs these days and wondering why the largest trading block in the world – Canada and the United States – is obsessed with essentially taxing its own citizens and driving up the cost of everything. As many have said, no one benefits from a trade war. It's important to take stock once in a while and that includes the highly integrated Canada-US trading relationship, and that of course includes the coatings industry. The coatings industry includes large as well as small- and medium-sized enterprises operating in Canada as well as many companies shipping finished products 'to' Canada and manufacturing products 'in' Canada. Added to that are a wide range of raw material suppliers shipping inputs from the United States, which are essential for literally thousands of formulated products sold every day in Canada. Companies on both sides of the border rely on fair trade practices as negotiated under the United States-Mexico-Canada Agreement (USMCA), signed by all three countries and viewed as a model of fair trade between the largest trading block in the world.

Tariffs imposed by the United States and responded to in kind by Canada are negatively impacting companies in the paint and coatings industry on both sides of the border. The coatings industry has an annual economic impact of over \$20 billion and directly and

products for just about every business imaginable, comprising more than 70% of Canada's total GDP. Sadly, that GDP is now lowest it has been in 20 years, which is also not helpful with the additional burden of trade disputes. As such, there are further economic challenges for sectors such as aerospace, automotive, construction, shipbuilding, oil and gas, packaging and many more. Worse still for both countries are what amounts essentially to 'taxes' on Canadian and American consumers, which will only increase inflation and the cost of living generally.

Canada is a strong trading partner for the United States and is 'the' number one customer for 34 of the 50 US States purchasing US products and services of every kind. Those purchases represent 70 percent of Canada's total imports globally. Without fair trade between what is the largest trading block in the world both countries will continue to experience negative impacts and higher costs for its citizens. Moreover, the economic impact for every Canadian is \$1,900 CAD and for every American \$1,300 USD. That is not chump change.

The **Canadian Coatings Association** and its member companies look forward to both countries restoring fairness in the world's largest trading block under the USMCA and continue to build even stronger alliances for the benefit of citizens in both countries. It's time to get back to work!

CCA staff and Chair of the Board, recently met with senior officials at Finance Canada to discuss ongoing tariff concerns in the coatings industry and how best to advise members on how to seek tariff remissions as Canadian members relying on imported critical raw materials imported from the United States and thus subject to an unlevel playing field from such tariffs. Members were provided a detailed Bulletin on how to best submit tariff remission requests to the federal Government and can access on the [CoatingsHUB](#).

You can see for yourself the high cost of tariffs on Canada-US trade, updated by the minute by the Canadian Chamber of Commerce here: <https://businessdatalab.ca/canada-u-s-trade-tracker/>

**CCA continues to keep members fully informed here and with ongoing work with individual members where possible. The link to all CCA Bulletins and Alerts Issued on US Tariffs and on Canadian Countermeasures: List 1 (Effective March 4, 2025), List 2 (Effective April 2, 2025), List 3 (Effective March 13, 2025)**

- [Items Covered Under Canada-US Trade Tariffs](#)
- [Tracking Evolving Issues on Canada-US Tariffs](#)
- [American Cities the Most Export Dependent on Canada](#)

**Gary LeRoux**  
President & CEO

## WELCOME NEW MEMBERS



### ALLIED CANS

**Allied Cans** is Canada's leading manufacturer of industrial metal cans and steel pails, serving the paint and coatings industry. It is part of Grupo Comeca, a Latin American leader in the packaging industry with more than 30 manufacturing sites located across 12 countries in the Americas. This strong regional presence ensures shorter lead times, localized support, and a seamless supply chain. A robust Quality Management System reinforces its reputation by ensuring high-end



Cans delivers trusted packaging solutions across Canada and the United States, helping businesses stay competitive in a fast-moving market.



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## Join the Community. Follow CCA on LinkedIn!

Let's talk coatings, technology, and regulations!  
CCA invites you to join us on LinkedIn.



## ADVOCACY REPORT



### Canadian Coatings Association's Advocacy Efforts Supporting a Stronger Canadian Coatings Industry

- CCA Published Several Bulletins and Alerts on the Impact of New US Tariffs and Canadian Countermeasures and is Maintaining a Close Watch
- CCA Joined Industry Comments Following Environment and Canada Climate Change (ECCC)'s Launch of Its Online Reporting Platform for the Federal Plastics Registry
- Canada Releases Final State of PFAS Report and Proposed Risk Management Approach: Entire Class of PFAS Proposed for Addition to Schedule 1, Part 2
- CCA Issued Several Bulletins and Alerts on the Impact of New US Tariffs and Canada Countermeasures and is Maintaining a Watch
- CCA Reminds Member Importers to Submit Financial Security before CARM Transition Measure Ends in April

- CCA in Coordination with the American Coatings Association and the World Coatings Council Promoted the Celebration of the First World Paint and Coatings Week, March 24-28, 2025
- CCA Meets with Finance Canada Officials Raising Concerns with Canadian Tariffs Targeting Paint Ingredients

## CCA Developed Several Bulletins and Alerts on the Impact of New US Tariffs and Canada Countermeasures and is Maintaining Close Watch

CCA has covered the implementation of new US tariffs and the Canadian national and provincial countermeasures in several bulletins and alerts that were published during the month of March. CCA has reviewed the Canadian Countermeasures List 1 (Effective March 4, 2025), List 2 (Effective April 2, 2025), List 3 (Effective March 13, 2025) under a CASE (Coatings, Adhesives, Sealants, Elastomers) sectoral lens. CCA outlined for members the existence of a discretionary remission process for Canadian importers impacted by Canada's retaliatory tariffs. CCA also informed members that the Canadian Chamber of Commerce and Finance Canada are actively seeking views on the proposed tariff measures and the scope of goods targeted by Canada's second phase of counter tariffs to come into effect on April 2.

*Canadian and US members are also encouraged to share with CCA any specific concerns they may have regarding certain proposed counter tariffs, which are expected to be most impactful for their businesses. For the benefit of its members, CCA has also developed for members a non-exhaustive analysis of all HS codes in the lists of tariffs and Canadian counter tariffs that will potentially impact the CASE sector directly with respect to CASE raw materials and equipment supplies, CASE products and the availability of other critical finished goods and manufactured items*

## CCA Joined Industry Comments Following ECCC's Launch of Its Online Reporting Platform for the Federal Plastics Registry

Although the reporting requirements for ECCC's plastic registry were introduced in phases from 2025 to beyond 2027 to allow time for obligated entities, **The Canadian Coatings Association along with 6 other national trade associations** have submitted a recommendation to the ECCC Director of the General of Plastics and Waste Management Division to postpone Phase 2 reporting until at least 2027 after clear guidance documentation is made available and answers are provided to key questions. ECCC should not only reconsider the extensive scope of data that is being requested, but also the purpose, quality, and use of the information to be obtained. In the absence of clear and comprehensive guidance, it is likely that low quality and potentially inconsistent or duplicative data will be reported. This will result in a dataset that offers little to no value while placing significant costs and administrative burden on industry in the current trade war context.

*Over the past few years, CCA has submitted extensive comments on the Federal Plastics Registry to ECCC and provided information to members on their reporting obligations in Phase I and more recently, how to access the online ECCC Plastics Registry platform. This information can be consulted in the CCA's CoatingsHUB. Members were also reminded that for Construction Materials their report is currently expected as early as the fall of 2026.*

## Canada Released Final State of PFAS Report and Proposed Risk Management Approach: Entire Class of PFAS Proposed for Addition to Schedule 1, Part 2 (Excluding Fluoropolymers)

On March 5, ECCC announced the availability of its final State of PFAS Report and proposed risk management approach for all PFAS excluding fluoropolymers, which will be risk assessed and managed at a later stage. The State of PFAS Report concludes that the entire class of PFAS, excluding fluoropolymers, is harmful to human health and the environment and proposed their addition to Schedule 1, Part 2. The risk management



activities will be developed in three phases and the uses of PFAS in the CASE and building materials will be targeted for risk management in Phase 2 along with other products. cosmetics, food packaging materials, and textiles. ECCC also stated that 131 individual PFAS will be added to the National Pollutant Release Inventory (NPRI) with reporting to take place by June 2026 for 2025 activities.

*CCA and its members have already met with several key government officials to obtain more clarification on timelines, the definition of PFAS including the current exclusion of fluoropolymers in Schedule 1, and on potential exemptions of several critical PFAS for the sector. CCA continues to be fully engaged on this file and is actively seeking additional input from members in the entire sector regarding their current critical uses of PFAS; the progress achieved towards the adopting PFAS-free replacements to this date; and what could be achievable for transitioning to additional phase outs of PFAS in CASE products, in terms of timeframe for performance requirements and related cost-impact.*

## **CCA Reminds Member Importers to Submit Financial Security before CARM Transition Measure Ends in April 2025**

The Canada Border Services Agency (CBSA) Assessment and Revenue Management (CARM) system has been operational since October 2024. All commercial importers must post their financial security in CARM to benefit from the Release Prior to Payment (RPP) program and can no longer use the financial security posted by their customs brokers. The RPP allows importers, who have posted financial security, to benefit from a fully electronic release process for the importation of commercial goods before paying duties and taxes.

*CCA disseminated the CBSA information on several webinars held this month to ensure all member importers concerned with Canada's new CARM Client Portal requirements comply.*

## **CCA Members Shared Orr & Boss North American Paint Market Forecast March Update**

Given the continued tariff uncertainty, Orr & Boss has downgraded the overall volume growth rate for the Canadian paint and coatings industry to -3.5%. However, the situation is fluid and will need to be closely monitored to better assess the industries to be the most impacted as well as the impact of retaliatory and reciprocal tariffs. Automotive production is expected to be down in both Canada and United States and even without tariff, a decline was already expected. The volume of sales could be down by as much as 3% in the US and should fall further than that in Canada. The building and construction markets are flat and uncertainty should result in NA home sales to also go down hence causing the decorative paint market to decrease by as much as 4% in volume. Tariff threats have sent a chill through Canada's housing market, and a downside pressure is expected to build under the added weight of higher materials costs and disruption.

*CCA normally shares all Orr & Boss economic outlook data on a bi-monthly or quarterly basis. However, as of March 25, a specific and detailed outlook update for Canada and the US was exceptionally made available by Orr & Boss for CCA members in an attempt to reflect the tariff war impact. and the newsletter analysis and Excel charts on the CCA CoatingsHUB for the benefit of all members.*

## **CCA Meets with Finance Canada Officials Raising Concerns with Canadian Tariffs Targeting Paint Ingredients**

Following a preliminary CCA review and discussions with members, it appears that some of Canada's list 1, 2 and 3 tariffs on incoming raw materials from the USA place Canadian-based paint manufacturers at a competitive disadvantage as importers of record. We believe that the following counter tariffs target inputs and many of which are not readily available in Canada would be: 3906 and 3907 for polymers and resins, 3923.90 for plastic packaging and 7310.29 for steel packaging.

*Members were advised to consider completing a formal request for remission via the portal provided by Finance Canada as these categories alone represent significant annualized tariff cost to their businesses, especially if there are other categories of concern.*



## Time for a Fair Weight-of-Evidence Approach to Regulations in Canada

A recent Statistics Canada Report published in early February noted: “Regulatory requirements rose by 37 percent between 2006 and 2021. The increase is estimated to have lowered gross domestic product growth by 1.7 percentage points and lowered employment growth by 1.3 percentage points in the business sector over that timeframe.” It’s clear the federal Government does recognize the problem, but what will it do about it is the burning question. There are many examples of regulatory decisions taken in Canada related to critical chemicals that failed to consider the ‘weight-of-evidence’ leading to decisions that negatively impacted the economy, while at the same time with little or no significant benefit for society writ large. CCA and other industry groups have consistently asked the Federal Government to **heed existing federal requirements for fair and evidenced-based outcomes**, which must include full recognition of the following:

- *Regulatory Impact Analysis Statement* for new regulations to address economic impacts.
- *Federal Cabinet Directive on Regulations* which are extensive and addresses economic impacts, trade issues with other jurisdictions, alignment and much more.
- *Canada-United States Regulatory Cooperation Council* focused on ensuring there is regulatory alignment with Canada’s largest trading partner.
- *Canada’s Red Tape Reduction Act* came into effect in 2012 with a ‘*One-for-One Rule*’ requiring the removal of one existing regulation for every new Canadian regulation added causing administrative burden for industry.

## Ensure Nothing is Missed on Regulatory Compliance in Canada

For more details on the issues noted above, and many more over the past month, please review the latest monthly **Regulatory RADAR** (Canada and US/Int’l Edition) with links to important documents and ongoing actions being taken by CPCA and its committees on behalf of industry. **For Members Only.**

**Note:** If you are not a CPCA member, please ask for a **complimentary copy of the latest Regulatory RADAR**.

**Send me a Copy of the Regulatory RADAR**



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# Canadian Coatings Conference

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# GREEN INITIATIVES



## **BYK Committed to Providing Only PFAS-Free Additives by the End of 2025**

Through extensive research, **BYK** has developed alternatives to PFAS that are more environmentally friendly and is providing PFAS-free solutions. BYK will be shipping the last batch of the affected products by the end of 2025. The percentage of PFAS-containing additives in BYK's product portfolio is actually very small.

## **Azelis Launched Earlier This Year Impact 2030 to Drive Sustainable Solutions**

**Impact 2030** will oversee all three carbon emission scopes with ambitious reduction targets and a commitment to the Science Based Targets Initiative (SBTi). It will also include a Portfolio Sustainability Assessment (PSA), providing transparency around sustainable products and solutions and extending the company's sustainability focus to include sustainable procurement programs and solutions for customers.

## **Lanxess Introduced Pigments for Low-Carbon-Footprint Coating Formulations under the Bayferrox Scopeblue Label**

The label identifies **LANXESS** products manufactured using sustainable raw materials, with a significantly lower carbon footprint than conventional products. The new product line includes micronized iron oxide yellow pigments that are used in high-quality coating applications due to their specific properties. The new line offers a more sustainable option for customers. The allocation of raw materials is done by mass balancing, complying with an ISCC PLUS certificate.

## **MF Paint Partners with Protech Group in Architectural Paint**

**Peintures MF is joining Protech Group** to push the boundaries of innovation and redefine performance standards. This synergy allows them to innovate, raise industry standards, and deliver ever more advanced solutions. And with nearly 50 years of expertise in colour research and development, Protech has thousands of shades, textures and finishes from which to choose.

## **BASF Generated Sales of Approximately €11 billion with Innovations in 2024 & BASF Launches with Sika Epoxy Hardener for Sustainable Solutions in Construction**

In 2024, **BASF** issued more than 1,100 patent applications, roughly 45 percent of which focus on sustainability with ongoing high investments of €2.1 billion in R&D. BASF's long-term aim is to further increase its sales and earnings from new and improved products with technologies that contribute to sustainability. Recently, BASF and Sika jointly developed and commercialized a new amine building block for curing epoxy resins, which is particularly interesting for flooring applications. The coatings are easy to apply and spread evenly, use significantly less thinners and release up to 90 percent less VOCs.

## **China's Largest Tanker Shipowner Completes First Drydocking Project with PPG's More Sustainable Coatings and Its New Application Technique**

The largest Asian tanker fleet, **COSCO Shipping**, is seeking innovative low-friction hull coatings to meet its greenhouse gas emission reduction targets under the IMO's energy efficiency and carbon intensity requirements. For this, COSCO Shipping used PPG's Sigmaglide 2390 biocide-free coating, which helps vessels reduce power consumption by up to 20% and GHG emissions by up to 35%. These performance benefits stem from the use of the PPG HYDRORESET™ electrostatic technology introduced last year and from the PPG ultralow-friction antifouling for the boot-top.

## **AkzoNobel Collaborates with Collision Vision, a Platform Designed to Connect a Collision Shop from a Compliance Standpoint with All Relevant Industry**



understanding of the health of one's collision shop at a moment's glance as it pertains to OEM training and certifications status, tool availability and compliance, health, safety and environmental services, and more. It increases productivity by reducing the time collision repair shops spend managing certifications, training, equipment, and preventative maintenance.



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## Supporting Trusted Brands

CCA supports a **strong** and **vibrant** coatings industry in Canada which contributes more than **\$20 billion in economic output** to the Canadian economy.

**Be part of the Canadian Coatings Network — Join CCA!**

## MEMBER **RECOGNITION**



### **Dow Wins 2025 CIO 100 Award for Market Intelligence Hub**

Dow received a prestigious **2025 CIO 100 Award** from Foundry's CIO for its innovative Market Intelligence Hub (MIH), marking its fifth consecutive win. This recognition highlights Dow's use of advanced AI capabilities, data and intelligence to enhance business insights and to drive efficiency.

### **Benjamin Moore to Celebrate Contractor Appreciation Month: April 1-30, 2025**

Painting contractors can maximize their participation all month long at **Benjamin Moore stores**. They can talk to BM representatives to find out how to take advantage of the month's happenings, including new products and programs, fun events, giveaways, raffles and more.

WorldSkills International trades competition in the car painting skills category. "We are proud to continue to support the young talent taking part in WorldSkills to develop their skills and also attract new talent to the exciting automotive refinish industry," said BASF's senior VP Global AR Coatings.

### PPG Recognized an 'Exceptional Workplace' by Gallup & as the Only Coating Manufacturer on Barron's 100 Most Sustainable U.S. Companies List

For the third consecutive year, PPG received the Gallup Exceptional Workplace Award (GEWA) recognizing high-performing companies that align their business strategies around employees. For the second year, PPG ranked among the first 100 of the thousand largest publicly traded companies selected by Barron.

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## CANADIAN ECONOMY



### Bank of Canada Reduces Policy Rate by 25 Basis Points to 2¾%

The range of impact scenarios on U.S. import tariffs and countermeasures is very wide at this time, after the Canadian economy entered 2025 in an upswing, with inflation close to

the 2% target. The heightened trade tensions will likely slow the pace of economic activity and inflationary pressures in Canada as well as in the US. A wave of "Buy Canadian" national pride has been unleashed but won't be sufficient to offset the direct negative impacts of US tariffs. So far, the Bank has been willing to cut interest rates to support domestic demand, but there are limits on how low it can go. **It will announce its overnight rate target on April 16.**

### KPMG Survey in Canada: Fighting for Survival, Canadian Manufacturers Expect Governments to Step Up

As the U.S.-instigated trade war disrupts the manufacturing industry, **Canadian manufacturers are determined to survive**, according to a KPMG survey report, saying they are willing to back Canada in a fight but expect governments to think big and be bold to build infrastructure and open up new markets.

### Additional New Relief Measures for Canadian Businesses Impacted by Tariffs Announced on March 21

Following the March 7 announcement of a new \$6 billion support package to help businesses navigate U.S. tariff related disruptions, new relief measures were announced for businesses shortly before the Federal Election Launch on March 23. **These new measures will further increase the funding** for Canada's regional development agencies, create a new financing facility to provide liquidity support for businesses, and defer corporate income-tax payments as well as remittances of the goods and services tax and HST.

## TECH INNOVATIONS



### Lighter, Faster, Better: The Impact of Adhesives on Train Design and Performance

A 10% reduction in weight can boost **energy efficiency by up to 10%** in the rail sector. Although the practice of reducing the weight of train components and structures has emerged as a key sustainability and efficiency strategy in the industry, its application requires unique considerations. Unlike cars and lorries, where individual components can be easily modified, trains are more complex systems that operate over longer distances and need to withstand the rigorous demands of continuous operation and changing climates while maintaining structural integrity and safety. Undoubtedly, adhesives play a crucial role in lightweighting, since they are used to attach external parts, bond structural and decorative panels, secure components such as seats and flooring, electrical components, dashboards and window glazing.

### Scientists Develop Reversible Adhesive that Could Transform Composites

Recognizing the major limitation of irreversibility in traditional adhesives, researchers recently unveiled **a new class of composite materials** that are equally robust but feature a new twist — they can be undone and reused "as though untangling a ball of yarn," according to the researchers. This new approach draws inspiration from nature.

### New OEM Paint Finish at Mercedes-Benz Plant Improves CO<sub>2</sub> Balance of Production

The new process **improves the CO<sub>2</sub> footprint** of Mercedes-Benz truck production, reducing energy consumption by up to 40%. Painting is the largest single energy consumer in truck manufacturing, and the updated system significantly lowers resource use while maintaining a high daily production capacity.

### Entangled Polymers and Nanosheets Create Skin-like, Self-healing Hydrogel

Until now, artificial gels have either managed to replicate high stiffness or natural skin's self-healing properties, but not both. This research team is the first to develop a **hydrogel**

discovery could renew the rules of material design.



**Coming  
Soon**

## Canadian Coatings Association's Modernized e-Learning Program

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Diploma Coatings  
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*The Coatings Academy is the Canadian Coatings Association's Online Educational Program offering modernized training to meet the needs of professionals working in or entering the industry.*

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### **The Canadian Paint and Coatings Association**

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