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DuPont Performance Coatings eNews



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Xirallic Tints for Collision Repair Frequently Asked Questions & Answers DPC Refinish USA

Q: What is a Xirallic pigment or tint?

A: Almost every OEM now has colors that contain Xirallic flake. It is a synthetic mica that is very brilliant compared to older micas.

Q: What if I am contacted by the media or an outside party requesting our position or contacted for an interview?

A: We are closely evaluating the situation and will be communicating directly to affected customers in the coming days. You may also provide the approved external DPC Statement on Xirallics.

If additional information or an interview is requested, please contact, or direct the outside party to contact, Gregg Schmidt, DuPont Performance Coatings Public Affairs, at 302-999-3330 (office) or at 302-598-6286 (cell) or by email at gregg.m.schmidt@usa.dupont.com

Q: What can I communicate to customers?

A: You may provide the DPC Letter to Distributors, the DPC Statement on Xirallics, and the DPC Letter to Shops. We recommend that Distributors allocate to their shop customers, and to consider switching customers to store-mixing color formulas requiring Xirallic Tints to provide more customers with mixes of these colors on an as needed basis.

Q: How long will production at Merck's, the pigment factory, be suspended?

A: At this time, Merck has not provided any estimated time period of when production may resume.

Q: On what grounds did Merck declare "force majeure"?

A: Merck claims the recent tragedies in Japan; especially the "after-effects" directly impacted the operations at Merck's Onahama pigment factory.

Q: When did DuPont receive notice from Merck declaring the "force majeure" event?

A: DuPont received the notice 18 March 2011.

Q: When will Merck resume supplies to DuPont?

A: It is uncertain at present when the production facility in Onahama, Japan will resume production. Merck has not provided any estimate of time and DPC is unable to speculate.

Q: Are the tints with Xirallic pigments radioactive?

A: No.

Q: Which DPC products contain Xirallic pigments?

A: You may go to pc.dupont.com or call 1-800-438-3876 Option 1 or contact your Jobber or DPC Account Manager to obtain list of impacted tints.

Q: How can I get more information on impacted colors and alternate, blendable formulas?

A: Using ColorNet you can identify if a formula contains Xirallics by comparing the mix formula to the list of impacted tints.

The June ColorNet update will feature a pop-up window indicating a formula contains Xirallics and any alternative blendable formulas.

If you need further assistance, you may contact 1-800-438-3876 Option 1 for the Color Group and we will do our best to advise the colors impacted and if non-Xirallic formulas exist.

Q: Which Vehicle Manufacturers have colors that contain Xirallic Tints?

A: Xirallic pigments are used industry wide and can be found in the color palette for all major vehicle manufacturers. There are 676 Automotive OEM color codes and ~1800 formulas containing Xirallic pigments in the DPC color library, and this is a fraction of the 50,000+ color formulas in our library. These colors span 34 Automotive OEMs, with the first colors appearing in the market with the 2000 model year.

Q: How many vehicles are out on the road with Colors contain Xirallic Tints?

A: The current vehicle park in the U.S. is 220 million vehicles. We estimate that the number of vehicles built since the 2000 model year with Xirallic containing colors is only hundreds of thousands, or 1% of the total car park.

Q: Can you provide me with a list of all OEM color codes, make & models impacted?

A: All manufacturers are impacted to some extent, as this is an industry-wide shortage.

We recommend using ColorNet to identify if a formula contains Xirallics by comparing the mix formula to the list of impacted tints.

The June ColorNet update will feature a pop-up window indicating a formula contains Xirallics and any alternative blendable formulas.

If you need further assistance, you may contact 1-800-438-3876 Option 1 for the Color Group and we will do our best to advise the colors impacted and if non-Xirallic formulas exist.

Q: Will we still supply DuPont Cosmetic Car Repair (DCCR) tints containing Xirallic pigments?

A: Yes, for now, but the same principles as for other distributors/customers with regard to up-front allocation will apply. Because cosmetic repairs are normally discretionary for vehicle-owners, if it becomes necessary, supply priority will be given to collision use.

Q: Who can I talk to about DuPont Cosmetic Car Repair (DCCR) and alternatives if these tints are no longer available?

A: You may contact Holly Stewart with DCCR and we will do our best to advise alternatives in solvent or waterborne paints.

Q: I have a new customer install, what should I do?

A: We recommend that you do not place a Xirallic tint on the machine during a new install. Distributors should consider switching customers to store-mixing color formulas requiring Xirallic Tints to provide more customers with mixes of these colors on an as needed basis.

DPC will no longer ship Xirallic containing tints with BIP Kits until the supply situation improves.

Q: When will my back-orders of Xirallic Tints ship?

A: All orders of Xirallic Tints will automatically be placed on back-order. Orders will be released after completing the allocation process.

Q: How long can DuPont deliver tints with Xirallic pigments?

A: DuPont holds various levels of stock for the different pigments. Because the popularity of these pigments varies, DuPont's ability to supply products containing the pigments in the short term will depend on the specific tint formulation. Our Account Managers will be contacting / have already contacted our customers individually to discuss alternatives with them.

Q: How much safety stock does DuPont carry for Xirallic pigments?

A: DuPont does carry inventory; however, the inventory is limited and may be inadequate to bridge

supply over a long period of time.

Q: What can DuPont do to bridge over this shortage of supply?

A: DuPont will use commercially reasonable efforts to optimize its worldwide safety stock of raw materials and intermediates. However, this will only enable a temporary expansion of the supply, until we too eventually run out of all tints containing Xirallic pigments. DuPont is prepared to discuss with each customer individually possible solutions to mitigate the effects of the shortage of Xirallic pigments for as long as the supply cannot be fully restored by Merck.

Q: What would be the means to mitigate the effects of the shortage of Xirallic pigments for Refinish?

A: DuPont plans to switch to smaller pack-size (cans half filled). Distribution might need to manage the allocation by providing Refinish products containing Xirallic pigments only to customers that will run out of stock very soon. If this does not cover the needs, distributors might consider switching customers to store-mixing color formulas requiring Xirallic Tints to provide more customers with mixes of these colors on an as needed basis.

Q: Will DuPont still accept orders from Refinish customers for products containing Xirallic pigments?

A: In principle yes (exceptions see below), but certain orders for Refinish products containing Xirallic pigments might be rejected in whole or in part depending on the individual stock situation. DuPont will consider an upfront equitable allocation of Xirallic Tints according to historical usage of such tints by the distributor/customer and the actual stock situation. At this point in time, DuPont will not make any other statements and/or commitments of any kind with regard to the future availability of products containing Xirallic pigments.

Q: Will DuPont increase prices for Refinish tints containing Xirallic pigments?

A: The special processes and additional resources required to manage Xirallic stock to assure maximum availability will generate additional cost to DuPont. While we are working hard to minimize these costs, it may become necessary to increase the price on certain tints to offset this added cost.

Q: How long will it take DuPont to find other suppliers?

A: Merck is the sole supplier of Xirallic tints. We are unable to predict whether it will be possible to find alternative products, and if alternative products are found, how long it will take to find and qualify them.

Q: Are the Xirallic pigments unique to DuPont products or is this an industry-wide problem?

A: According to publicly available information, Xirallic pigments are not unique to DuPont products and are supplied to the automotive paints industry.

Q: Which businesses are affected by this event?

A: Refinish, Coating Solutions and Automotive OEM businesses are affected by this event.

Q: Is this a global issue?

A: Yes, the shortage in supply will affect the industry globally. All world regions will be facing shortage of Xirallic pigments in the short term. If Merck is unable to resume production or provide alternatives to manufacture it may lead to a potential short-term or long-term stoppage of Xirallic pigments.

Q: Why? Why? Why? Please tell us more information....

A: If the customer persists in asking questions you can use the following statement: We are working diligently with Merck, our customers, and our sales team to address short term product needs as well as ensure a smooth transition to alternative pigments for your product. We value our relationship with you and we will keep you informed of our progress.

For additional information or questions about DuPont Performance Coatings, please contact Patricia Morschel (Patricia.Morschel@usa.dupont.com).

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