



Colormatch News Bulletin—Getting Ahead of the Curve—April 1, 2011

XIRALLIC SHORTAGE CREATES PROBLEMS FOR THE COLLISION/REFINISH INDUSTRY

It's really a small world when you consider that a disaster taking place on the other side of the world on March 11, 2011, will affect all of us in our own areas of the collision/refinish industry for months to come. The earthquake and tsunami in Japan have affected many areas of industry, including the production of Xirallic, a pigment that is used in the automotive paint industry.

WHY IS THERE A SHORTAGE?

The only manufacturing facility for Xirallic is owned by Merck Chemical and is located in Onaham, Japan, which was adversely affected by the calamity. Due to damage to the facility, Merck has shut down all operations at the plant and product is no longer being manufactured.

WHAT IS XIRALLIC?

Xirallic is a pearl luster pigment, a specialty of Merck Chemicals. It is produced by a complex interplay of light in flake-like transparent pigment particles. Xirallic is used by many automobile manufacturers and in other industries as well.

WHY IS THIS A PROBLEM FOR ME?

Xirallic is present in several DuPont Refinish formulations, which cannot be duplicated without the ingredient. A list of affected DuPont products is attached to this notification. Although DuPont has existing inventories of product, these may be rationed or restricted, or depleted before production can be resumed. Other paint companies also use the pigment and will be placing a demand on the supply chain.

WHEN WILL THE PROBLEM BE RESOLVED?

Merck has not made any statements regarding when supply of Xirallic will resume.

WHAT IS COLORMATCH DOING?

Colormatch is immediately discontinuing sales of tints containing the pigment, but will mix any colors requiring the tints at our stores. Until the issue is resolved, we will continue working to minimize any impact to our customers, and find the best solution to any problems created by this shortage.

If you have any questions, please contact us through your Colormatch sales representative, or by email at solutions@colormatch.com

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