



STRATEGIC OVERVIEW

Innovation in the Color Value Chain

Navigating regulations, supply chain volatility, and customer demands in modern pigment manufacturing.





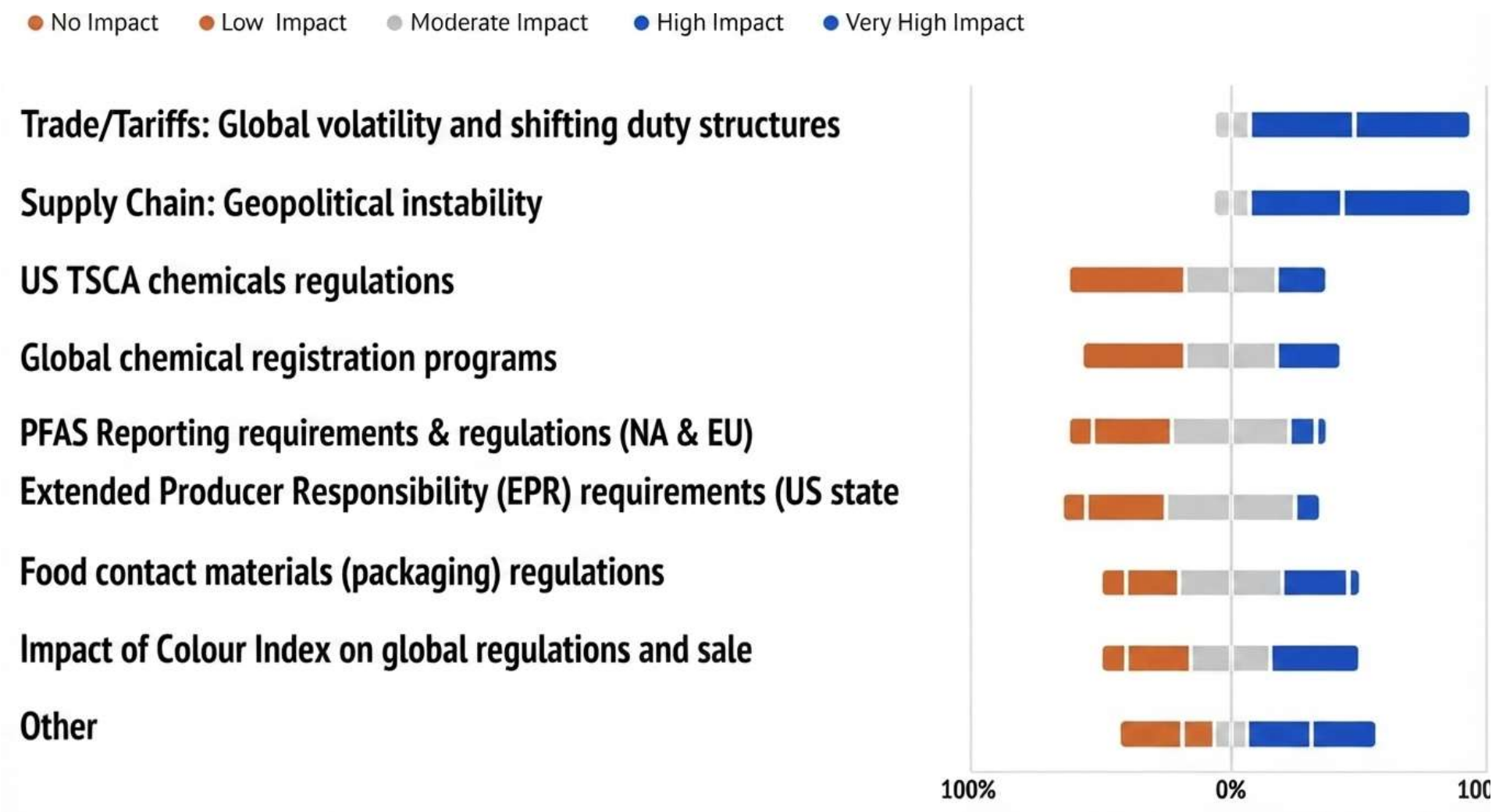
CPMA Strategic Pillars

- 1. Strengthen Advocacy & Regulatory Influence**
- 2. Enhance Value Chain Collaboration**
- 3. Drive Leadership in Sustainability**
- 4. Expand Membership & Global Recognition**
- 5. Enhance Industry Intelligence & Communications**
- 6. Foster a Culture of Innovation & Leadership**

Upstream Realities

-  **The Operating Environment:** Increasingly fractured regulatory matrix, trade friction, and shifting market demands.
-  **Upstream to Downstream Impact:** Upstream synthesis decisions and regulatory compliance directly dictate raw material availability, operational continuity, and compliance burdens for converters and masterbatch producers.

Immediate Business Outlook: Respondents evaluated key supply chain and policy-driven factors impacting their business outlook over the next 6–12 months:



Session Objectives

Strategic Clarity



Mapping upstream trade realities, regulatory shifts, and operational resilience.

Securing Continuity



Highlighting collaborative strategies to maintain market access and service excellence.

Value Chain Alignment



Emphasizing unified industry advocacy and robust stakeholder partnerships.



SECTION 01

What Drives Innovation

Customers, regulations, and operational resilience as catalysts
for industry advancement.

Customer Demand

Primary catalysts shaping industry progression and product development.



Market Needs

Direct consumer preferences driving structural shifts.



Product Wants

Evolving aesthetic and functional specifications.



Downstream Requirements

Rigid performance thresholds from end-users.

Laws and Regulations

Regulatory frameworks governing modern industrial behavior.



Chemical Ingredients

Strict oversight on raw material composition.



Safety Standards

Mandatory protocols protecting worker and consumer health.



Compliance Mandates

Binding legal requirements shaping market access.

Supply Chain Mishaps

External pressures forcing rapid innovation around stability and risk management.



Global Volatility

Unpredictable geopolitical shifts disrupting raw material flows.



Logistical Bottlenecks

Freight congestion and transport limitations slowing delivery.



Disasters & Complexities

Natural events and political friction driving risk mitigation strategies.

Retailers as De Facto Regulators

Downstream retail giants steering market compliance.

Consumer Preference Interpretation

Major brands (e.g., Walmart, Target) analyze end-user sentiment to establish stringent internal chemical policies.

Shelf-Space Compliance

Retail allowances effectively dictate commercial acceptance, forcing upstream alignment before official state bans.



SECTION 02

Why New Pigments Are Not Coming to Market

Commercial viability barriers, prohibitive costs, and regulatory gridlock.

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Commercial Viability & Time

Barriers limiting the launch of entirely new molecules.

High Risk

Market Failure Rates

The market often fails to bear out high R&D investment costs.

Extended

Time-to-Market

Getting novel products commercialized is exceptionally slow.

TSCA and REACH - Regulatory Delays & SNURs

Unpredictable federal review timelines and post-approval restrictions.

3–5+ Yrs

TSCA Review Shift

Federal new chemicals review shifted from 90 days to multi-year delays.

Post-R&D

Significant New Use Rules

Post-approval restrictions invalidate years of prior investment.



SECTION 03

Laws and Regulations

Managing EPR mandates, state-level restrictions, and the patchwork dilemma.



EPR & Chemical Restrictions

Adapting to framework mandates and state-level compliance.

Extended Producer Responsibility

Adapting to framework mandates governing product lifecycles and end-of-life accountability.

State-Level "Mini-TSCA"

Navigating children's product rules and emerging PFAS tracking mandates across states.



The "Patchwork" Dilemma

Managing state lists and public transparency mechanisms.

Premature Commercial De-Selection

Public transparency mechanisms and inconsistent state lists trigger early product abandonment even without outright bans.



SECTION 04

Supply Chain Support & De-Risking

Shift to business continuity, trade volatility, and predictive integration.



Shift to Supply Chain Security

The new foundation of industry value creation.

Constrained Innovation

With traditional proprietary product innovation restricted by regulation, primary value has shifted.

Business Continuity

Focus centers heavily on stability, de-risking, and robust operational resilience.

Tariff Mechanisms & Outlook

Comparative breakdown of active trade authorities and predictive impact.

Tariff Mechanism	Current Activity Level	Strategic Prediction
IEEPA (Emergency Powers)	Still in litigation...	Supreme Court Decision 2026
Section 122 (Balance of Payments)	Litigation	Likely Overturned... Refunds...?
Section 301	Early/Pre-Litigation	Strong on legal theory – difficult justifications



Predictive Integration

Forecasting and securing raw materials ahead of shortages.

Data Transparency & Alignment

Establishing close data sharing with partners to anticipate bottlenecks and secure supply continuity.



SECTION 05

Enhanced Customer Support

Service as innovation, institutional knowledge, and rapid color matching.



Service as Innovation

Competing on superior service delivery in a constrained market.

Reliable Solutions

Focusing on compliant, dependable formulations over brand-new pigment molecules.

Competitive Advantage

Differentiating through technical excellence and rapid responsiveness.

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Knowledge & Rapid Matching

Bridging expertise gaps and compressing timelines.

Advisory Support

Serving as technical advisors to customers navigating lost corporate expertise.

AI-Driven Matching

Compressing color-matching timelines from weeks down to days using rapid application testing.



SECTION 06

Sustainability

Holistic environmental factors, circularity, and scope 3 emissions.



Broad Environmental Factors

Holistic sustainability across operations.

Opportunity Framework

Moving away from a regulatory burden mindset toward a collaborative opportunity framework.



Recyclability & Compliance

Meeting ecological standards and corporate targets.

Circularity Standards

Optical sorter evaluations for plastics, reducing substances of concern, and green guide criteria.

2027/2030 Outcomes

Aligning internal environmental targets with specific customer sustainability commitments.



Scope 3 & Color Realities

Upstream impacts and formulation footprints.

Upstream Reporting

Addressing complex third-tier reporting and EcoVadis hurdles where pigment makers solve downstream gaps.

Color Footprints

Factoring in inherent environmental and formulation impacts tied to specific market color choices.



SECTION 07

Role of the Color Value Chain

Value chain partnerships, member empowerment, and targeted regulatory advocacy.

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Color Value Chain Leadership & Advocacy

Uniting stakeholders and leading robust policy campaigns.

Value Chain Bridges

Uniting pigments and printing inks to tackle systemic operational challenges.

Member Empowerment

Equipping industry with tools for forecasting and performance optimization.

Targeted Advocacy

Leading customized HTS code reviews with DOC and USTR for rational policies.