Information Research
CP House, 97 – 107 Uxbridge Road
Ealing, London W5 5TL UK
Tel: + 44 20 8832 7830 Fax: + 44 20 8566 4931

PRESS RELEASE

14 JANUARY 2008

A PROFILE OF THE CENTRAL AMERICAN AND CARIBBEAN PAINT INDUSTRY, 1ST EDITION

Information Research (IRL) is pleased to announce the publication of a report entirely dedicated to the Central American and Caribbean paint markets. *A Profile of the Central American and Caribbean Paint Industry* provides a unique insight into the factors driving the markets in these countries and islands, of which 16 are covered in total.

The Central American paint and coatings market has been estimated at 1.38 million tonnes in 2008, of which Mexico accounts for about 1.1 million and the other smaller countries about 280,000 tonnes.

The Caribbean paint and coatings market has been estimated at almost 421,000 tonnes in 2008. The two largest markets are Cuba and the Dominican Republic, with Puerto Rico not far behind.

Per capita paint consumption throughout the whole region has been determined at 9.5 kg/head, which is very close to that seen in Mexico alone. However, it also reflects significant differences in per capita paint consumption, from Puerto Rico at the top end to Guatemala and Nicaragua at the other. Overall growth in the Central American and Caribbean paint market is placed at 3.1% pa for the next five years.

The markets throughout this region are shaped by both the presence and absence of different influences. Perhaps the most important present influence of all is that of the USA, because the effects of US consumer spending, US investment and US remittances. Each of these has a significant effect on paint demand. Other US influences include aspirational TV broadcasts and the presence of major US companies such as Sherwin-Williams, H B Fuller and, to a lesser extent, Benjamin Moore, in the region. Their major competitors are companies mainly regional in nature, such as COMEX Group, Grupo Solid, Grupo Sur, Berger Paints, Harris Paints and Lanco Paints, to name a few.

The absence of high degrees of industrialisation means that decorative coatings often account for up to 75% of demand in some countries, while the absence of legislation on the part of the environment means that paint companies are self-regulating *or* able to seize the initiative and sell paints which are kinder to the environment. Poor affordability and absence of investment inhibit paint consumption in some economies, and for locations which are ravaged by tropical storms and hurricanes which leave thousands of people homeless, the application of paint to even a basic home can hardly be seen as a top priority.

Many of these markets have the potential for modernisation or at least the introduction of new technology, however the levels of associated investment needed and affordability can potentially restrict such developments, particularly when traditional methods or formulations offer a convenient fallback for some. Healthy levels of investment in some countries continue to boost demand in areas such as infrastructure, business and tourism, but on the other hand some of the poorer economies will continue to struggle, especially during the global financial crisis. Some companies have pursued the option of improving their product offerings by having alliances with top multinational paintmakers and this could be one way forward that will help to change the coatings landscape in this region in the future.

A Profile of the Central American and Caribbean Paint Industry, 1st Edition covers the following 16 countries and islands: Belize, Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Bahamas, Barbados, Cuba, Dominican Republic, Haiti, Jamaica, Puerto Rico and Trinidad & Tobago.

A Profile of the Central American and Caribbean Paint Industry, 1st Edition (161pp and 195 tables), is available to purchase from IRL now, price €2,750 for a single copy.

Sections of the report, priced individually, will soon be available to purchase online at our website:

www.informationresearch.co.uk

For more information on this report, please contact Terry Knowles at **tknowles@brg.co.uk**

Information Research (A Division of BRG UK Ltd), CP House, 97 - 107 Uxbridge Road, Ealing London W5 5TL United Kingdom

Tel: +44 (0) 20 8832 7830 Website: www.informationresearch.co.uk
Fax: +44 (0) 20 8566 4931 Email: irl@brg.co.uk