

- While graffiti is not a new phenomenon, the 1990s saw an explosion of graffiti and graffiti-related crimes in almost every major urban area.

- Graffiti vandals are known as "taggers," due to the repetitive use of their personal or group initials, or "tag." Most taggers are fairly young; however, the profile of the graffiti vandal crosses race, gender and socio-economic lines.

- Since the early 1980s, the paint industry has worked with officials in cities across the country to provide viable solutions to graffiti, through the National Council to Prevent Delinquency. The paint industry also has worked with Lifetime Learning Systems to provide anti-graffiti educational packages to more than 5,000 middle schools in targeted areas.

(Source: National Paint and Coatings Association)

is anxious to address lead hazards in his state, believing Providence to be the "lead capital of the world." Additionally, Whitehouse's counsel said that filing lawsuits helps the industry and the public "focus" on the problem. However, in a recent meeting, NPCA reminded the attorney general's office that the paint industry has indeed focused on potential lead hazards and was working on creative solutions long before "the threat of lawsuits."

One program already at work in Providence, R.I., is the Community Lead Education and Reduction Corps, or CLEARCorps. The paint industry helped to launch CLEARCorps several years ago to help communities identify and eliminate lead hazards, as well as to educate residents about how to keep their homes lead-safe. "CLEARCorps is just the most recent example of how paint manufacturers have been at the forefront of responsible and conscientious efforts to prevent exposure to lead dust, regardless of its source," stated NPCA President Andrew Doyle.

"Instead of wasting precious state resources on unwarranted and unsupportable litigation, Rhode Island should work with us to promote constructive solutions—community-based programs that identify and eliminate lead hazards," Doyle said.

The issue of lead-in-paint is simmering elsewhere across the country, especially in urban areas. In just one month last year, there were as many as 14 new lead bills in various states and also four proposed regulations. Most of these rules will not affect retailers directly. However, if litigation continues to replace regulation, paint manufacturers may have to find alternative ways of generating additional revenue. If so, dealers might have cause for concern.

One issue that could impact retailers in the immediate future is post-consumer paint management. With paint recycling initiatives popping up all across the country, retailers in many locales might be required to collect fees and take back products. This is the case in British Columbia, which several years ago imposed a "take-back" requirement on all sellers of paint. (The program has since expanded to include more than just paint.) The industry responded by creating a Paint Care Association, funded by the placement of "eco fees" on paint products. At first, designated paint dealers' stores were established as drop-off stations. Since then, the PCA has established additional depots for dropping off leftover consumer products. Other provinces in Canada are exploring similar programs.

in the United States, Minnesota also is strongly considering a take-back program. So far, the paint industry has been successful in stalling off a British Columbia-type program, complete with eco-fees. However, the matter is not yet resolved. "We've been talking with regulatory officials there," said Lloyd, "and we've made progress. But they still insist that the costs be shifted (onto the retailer)."

Then there's the matter of graffiti prevention. Many urban communities are fast at work tackling this issue, with retailers on the front line. Some cities, primarily on the West Coast, have adopted lock-up ordinances that require retailers to keep spray paint under lock and key. Other cities have considered even more stringent measures, including Chicago which several years ago made it unlawful to sell the product altogether.

Here, too, though, the paint industry has taken a proactive stance in adopting Responsible Retailing initiatives under the auspices of the National Council to Prevent Delinquency. The program urges retailers to institute a combination of in-store activities to reduce shoplifting of potential graffiti tools and to help stop the illegal sales of these products to minors. The program includes education of store employees, strategic placement of signs at display and check-out points, and information and suggested guidelines about the product display of spray paint and markers. The Council also provides community counseling to cities, as well as recommendations on potential remedies to graffiti vandalism.

Proactive programs like this can go a long way toward warding off regulations and, in some cases, litigation. However, paint manufacturers and retailers shouldn't expect that either will go away too soon. It may be the beginning of a new millennium, but some things seem destined to remain the same. ■

States Receive Millions

For Lead-Based Paint Hazards

In late October, Housing and Urban Development Secretary Andrew Cuomo awarded \$56 million in grants to protect 30,000 children and their families in 13 states from the health hazards of lead-based paint.

The HUD grants will go to state and local governments. The funds will go toward removing lead-contaminated paint, dust and soil from privately-owned low-income housing. "All parents want the same thing for their children that I want for my three daughters—the opportunity to grow up healthy and to achieve their full potential," said Cuomo. "These grants will protect thousands of poor children from being robbed of these opportunities by lead poisoning."

The announcement came during the first official National Childhood Lead Poisoning Prevention Week. The grants were awarded to:

Arizona—Phoenix, \$2.9 million;
California—State, \$4 million; San Diego County, \$1 million;
Colorado—Denver, \$1 million;
Connecticut—Norwich, \$3.4 million; Manchester, \$1 million;
Delaware—State, \$2.7 million;
Illinois—State, \$2 million; Chicago, \$4 million; St. Clair County, \$2.8 million;
Maryland—Baltimore, \$2.9 million; Prince George's County, \$1 million;
Massachusetts—State, \$1 million; Lowell, \$2 million; Cambridge, \$2.8 million;
Nebraska—Omaha, \$2 million;
New Jersey—Hudson County, \$3.5 million;
New York—Albany, \$4 million; Syracuse, \$4 million;
Ohio—Toledo, \$1 million; Mahoning County, \$2.9 million;
Wisconsin—State, \$4 million.

Additionally, HUD, the Environmental Protection Agency and the Centers for Disease Control and Prevention continue to jointly fund a toll-free phone line (1-800-424-LEAD) to give callers information about lead hazards and disclosure requirements for people selling and renting homes. Information also is available on HUD's Internet site at www.hud.gov/lea.

advocated uniformity across state lines. "Our nightmare for those manufacturers selling in more than one state or even in all 50 states is that they would have to comply with as many as 50 different rules."

Dealers in one state might find themselves selling entirely different products from dealers in another, Lloyd added. This scenario could disadvantage dealers in more stringent states since customers might be inclined to cross state lines to buy products they can't find at home.

In the meantime, the EPA's newly tightened standards for ozone and particulate matter also have been the topic of litigation. NPCA was one of many organizations that challenged the standards last year in *American Trucking Association Inc. et al v. U.S. Environmental Protection Agency*, U.S. Court of Appeals. The paint industry worried that the new ozone standards could disrupt plans already under way by manufacturers to reformulate and re-label their products in compliance with the national VOC

rule. After hearing arguments, a three-judge circuit court panel threw out the standards last May. The decision was upheld on appeal by the full circuit court and at this writing was headed to the U.S. Supreme Court, with a decision expected sometime in the spring.

The circuit court decision was only a partial victory for the paint industry, however. As Lloyd explained, the court not only tossed out the standards for ozone and particulate matter but also for nitrogen oxide (NO_x), the other major component of smog. "Our fear is that the EPA will turn its attention back to VOC regulation; conceivably, it might even decide to rework the VOC rule," said Lloyd. In general, and depending on the geographic location, the contribution of NO_x and VOC emissions to the formation of smog will vary.

Additionally, the court decision has caused disarray among non-attainment areas around the country. As Lloyd explained, "When the court threw out the new standards, the EPA was forced to consider re-applying the old standard. And under the old standard, a number of regions and counties would probably be of compliance. It's in a state of chaos."

At this point, manufacturers are continuing to operate under the VOC rule. But until both air-quality matters are fully resolved, "Uniformity of regulations is threatened," said Lloyd.

Other Issues

In still more litigation, Rhode Island is suing members of the paint and lead-pigment industry in what could be a ground-breaking case. The lawsuit seeks millions of dollars from several paint companies named in the case, to pay for removing lead-paint from homes and reducing exposure to children.

Rhode Island Attorney General Sheldon Whitehouse reported that he



Paint & The Environment

The Focus Is Shifting From Legislation to Litigation

By Tameia Adamson-McMullen, contributing editor

BACK IN THE MID-1980S, when the notion of regulating VOCs in paint was first bandied about, few people could have imagined that it would still be brewing today. But the controversy over paint and air quality continues, as it does over lead-based paint hazards, post-consumer paint management and graffiti deterrence. These issues have been hotbeds for paint manufacturers for the latter part of this millennium and, as it draws to a close, are boiling and bubbling for retailers as well.

One of the major issues that could affect retailers in the years to come is air quality. How these issues are resolved could drastically affect the way paint goes to market—how it is formulated, specified and sold. The national rule limiting VOCs in architectural and industrial maintenance coatings went into effect Sept. 13, 1999. However, the rule has been challenged in court, as have the Environmental Protection Agency's new National Ambient Air Quality Standards (NAAQS) for ozone and particulate matter. And this time, their outcomes won't be decided on the floor of Congress but in the halls of justice.

According to David Lloyd, vice president of government affairs for the National Paint and Coatings Association, the shift from legislation to litigation

in pending paint issues could have far-reaching consequences.

"Of real concern is the strong possibility, with certain exceptions, of an evolution—some call it 'devolution'—of power and responsibility from the Feds to the states, not because of anything Congress does but what the courts are doing," said Lloyd.

Clean Air Requirements

The national VOC rule is a case in point. The law is being challenged in circuit court by a group of regional

manufacturers as being unfeasible. While the rule was some 10 years in the making and the challenge involves rules governing other consumer-product industries, "It's entirely possible all of the challenged rules could be thrown out," said Lloyd.

In the absence of a national VOC rule, states would be forced to adopt their own laws to comply with the 1990 Clean Air Act requirements. This could lead to a "state-by-state patchwork quilt of rules," said Lloyd noting that NPCA has consistently

Some Lead-In-Paint Facts

- Most paint manufacturers voluntarily discontinued the use of lead pigments in consumer paints back in the 1940s and 1950s, switching to superior substitutes such as titanium dioxide (TiO₂).

- Government studies reveal that children become lead-poisoned primarily by hand-to-mouth lead dust ingestion and only rarely through eating old lead-based paint chips.

- In 1995, NPCA launched the Community Lead Education and Reduction Corps in conjunction with the Shriver Center at the University of Maryland Baltimore County. With the help of federal funding, the program's focus is to establish lead-safe housing at an affordable cost and to educate communities on lead safety. CLEARCorps has pilot projects operating in six major U.S. cities and will expand to more than 12 cities over the next two years.

- According to a report released last year, "America's Children: Key National Indicators of Well-Being," the number of children with lead poisoning has dropped significantly, from more than 88 percent in the late 1970s to around 76 percent today.

(Source: National Paint and Coatings Association)

in fact, lives in a 100-year-old house in Bahama, N.C., which is 16 miles from Durham. "People like to move into the historical homes and do it properly," he says, adding that "doing it properly" often means a new coat of paint, among other changes.

As Mark and George add more stores to their chain, they will experience more competition from the box stores and the company-owned stores. They welcome this competition and



Friendly and informed customer service are at a premium at Shades of Color. Above: Ann discusses wallpaper samples with a customer. Left: Mark shows some sandpaper to a customer. Below: Ann and a customer review some carpeting samples.



firmly believe that they will get a good share of area customers.

"We'll beat them with service," Mark says flatly. "You don't get much service in the box stores. The guy who waited on you in their paint department last time may be in a different department when you come in next time. Also, their tinting can be inconsistent. Our big advantage over the big boxes is expertise.

"We also work contractors' hours," Mark continues. "We open early in the morning and have delivery available." Mark, who lives in Raleigh, says he is perfectly willing to deliver paint on his way home from work each day.

As the company expands, Mark anticipates that Shades of Color will become more price-competitive in comparison to the big boxes and company-owned stores. Yet, he fully expects the business to maintain its emphasis on service no matter how large it becomes.

One of the keys to great service is



employees' enjoyment of their work, which in Shades of Colors' case is a lot of dealings with contractors. "We work to make good, strong relationships with our contractor customers. They become our friends, and that's a great way to do business—with friends," Mark says.

George agrees. "In the paint and decorating business, I really enjoy the relationships I've been able to make with customers. I just really enjoy helping customers."

Mark will go as far as saying that friendliness in his business is ab-

solutely crucial. "As far as I'm concerned, friendliness and the ability to interact smoothly with people is the first skill that's needed," Mark states. "Even if you're the best paint matcher in the world, if you're not good at talking to and interacting with customers, you won't survive."

And Mark and George certainly plan for Shades of Color to do much more than survive. "We want to have a refreshed business with growth aspirations," Mark says. "one that would not stagnate in the market but would actually thrive." ■

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