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LEAD INDUSTRIES ASSOCIATION

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PIGMENTS AND CHEMICALS*

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At last year's meeting, pigments and chemicals were covered by four different speakers. This year, since I alone have that commission, the coverage will necessarily have to be fast, and probably spotty.

The preliminary figures on lead pigments for 1952 indicate a reduction in consumption in all classifications when compared to 1951. Litharge shipments fell from 154,753 tons to an indicated 142,855 tons, a reduction of 8%; Red Lead from 35,352 tons to 31,565 tons, or 11%; and White Lead, dry, in the form of lead in oil, and also including the white lead content of leaded zinc oxides, from 48,990 tons to 36,567 tons, a reduction of 25%. Combining the foregoing, (total lead pigments shipped in 1952 amounted to 210,987 tons, as compared to 239,095 tons in 1951, a loss of 12%.)

However, everyone is aware that 1952 was a hectic year of inventory adjustments and price gyrations, and it is not surprising that there was an overall decline in the tonnage of pigments. It would seem that 1953 should produce a movement of tonnages less subject to sharp ups and downs than in 1952, but it is yet too early to predict the level that will be established. The storage battery industry requirements, and particularly for replacement batteries, continues to be the major determining factor. (During the past several years the storage battery industry has consumed approximately 60% of the total litharge and red lead shipped and so continues to be the "bell weather" of our business. As the battery business goes, so generally goes the lead oxide business.) Since Mr. Sommerville has so ably covered the present and future outlook for the storage battery business, further comments would be totally superfluous. Variations in the other consuming industries are much less important and in most cases follow the general business curve. It appears that storage battery manufacturers do not have excessive stocks of either raw materials or finished products, so increasing demands from consumers should be felt rather quickly both by lead oxide and pig lead producers. Should the anticipated let-down in general business occur in the last half of this year, the replacement storage battery manufacturer will probably be less affected than almost any other type of lead consumer. In general it would be my guess that the demands for lead oxides in the storage battery business in 1953 will be equal or greater than in 1952, and at a much more uniform rate.

The present and future outlook for white lead is not good. From being one of the largest consumers of pig lead a few decades ago, it has become one of the smaller ones today. I have no desire to rehash all that has been said about the technical superiorities of white lead in paint as opposed to other pigments. I believe them, and I think you do also. But we must be realistic and evaluate the situation as it exists. White lead has lost ground, principally to titanium dioxide, and inert pigments. Cost and hiding power factors are the ones that have set white lead back, and I see no chance of anything transpiring to change the situation. The L.I.A. has decided to discontinue its white lead promotion program,

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and I believe wisely so. There just isn't enough money available to get the results desired, and all the promotion in the world can't change the economic facts that concern consumers. We have given the white lead program a good try and made practically no headway, so it seems sensible not to throw good money after bad.

Don't misunderstand me, the battle is not over, and the fight will continue and we believe just as effectively through the efforts of individual members, but without the added cost of Association expenditures. Pressure on leading paint manufacturers to increase or resume the use of white lead in house paint will, of course, be continued by all of us in the white lead business. Maybe some increase in its usage can be effected, but it seems to me that the present tonnage curve will probably continue close to horizontal in the years to come, barring unforeseen developments. In other words, (the use of white lead in house paint should most likely continue at its present rate, without much growth or recession.)

The position of lead products in the ceramic industry remains fairly constant. In other words, lead has neither gained nor lost materially during the past two years in percent used, or in compounds employed. There is still a slim possibility that lead might regain a part of the position it has lost to barium compounds in television and other glasses, availability, price and qualities imparted, being favorable factors. It would seem that the volume of lead products consumed by the ceramic industry will vary directly with the volume and health of that industry. For several years the L.I.A. has given consideration to establishing a joint research program on lead in ceramics, along the lines of the one that has been so successful with respect to the use of red lead in metal protective paints. The problem of finding the right person to take charge of such a project has been difficult and unsuccessful. Further, the challenge is much more complicated than the red lead one, and has a much lesser chance of success. Therefore, at the present time, the matter isentirely dormant. It is my opinion that any improved position of lead products in the ceramic industry will have to be through the development of specialized products for that industry, which can best be carried on by individual members of L.I.A.

The use of lead oxides in the manufacture of inorganic colors (mostly yellows and greens) continues to improve gradually as the populace of our country becomes more color conscious. Consumption in the oil refining and insecticide industries has levelled off to a point where further curtailment seems unlikely. Probably substitute processes or competing products have made all the inroads they will, for the immediate present, and there is, of course, always the possibility that the pendulum will swing back to lead oxides as new developments take place.

The Association's Red Lead Technical Committee continues to operate along the lines it has in the past, with increasing efficiency and favorable results. The trend away from red lead in metal protective paints has been stopped in its tracks, particularly in government specifications. The tonnage of red lead in paints has been increasing, thereby helping all segments of our Association membership. The battle, however, is a continuous one and can only be won momentarily. Any lassitude or shrinkage in our program will put us back on the skids, where we were. We are making headway, but have a running fight on our hands. If anything, the program should be expanded if it is possible to do so intelligently.

The vinyl plastic industry continues to grow and our market for lead stabilizers along with it. Tough competition from non-lead stabilisers is ever present, which keeps the lead product producer on his toes. This is a relatively new market for lead and there is no reason to believe that we can't maintain and improve our position in this business in the future. Vinyl plastics are here to stay and increase in tonnage, and so should the volume of lead compounds.

I most certainly do not want to leave anyone here with the impression that I believe the lead pigment business is a static one, devoid of potentialities, because of some of the remarks that I have made, in an effort to be realistic. Quite to the contrary, I believe our future holds real possibilities for growth, depending upon our awareness to change, and our ability to capitalize thereon. If there are no new developments in the use of our products, or losses, the volume of our products will increase on the basis of our country's normal growth alone. Add to this net gains from new developments in the use of our products, which, from past performance we have every right to expect, and I would say that we have a solid, basic business with which I am proud to be associated.