



**LUCINTEL INSIGHT
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FOUR TRENDS SHAPING THE FUTURE OF THE SPECIALTY CARBON BLACK MARKET

The specialty carbon black market is growing and gaining traction due to its increasing use in pigmenting, UV stabilizing and conductive agents in a variety of specialty products, including plastics, printing and packaging, and coatings. The rising wave of conductive specialty carbon black products and conductive additives is creating significant potential in various end use industries such as transportation, industrial, building and construction, and others. The major

growth drivers for this market are increasing demand for plastics and coatings in the building and construction, packaging, and automotive industries.

The specialty carbon black market is divided into several segments, such as plastics, ink, coatings, and others. Key players in the specialty carbon black market include Orion Engineered Carbons Holdings, Birla Carbon, Cabot Corporation, China Synthetic Rubber (CSR), Omsk Carbon Group, Tokai Carbon, Continental Carbon, and Sid Richardson Carbon & Energy. These have been working on different strategies to drive sales using highly influential marketing approaches; however, as we examine the challenges and opportunities ahead in this market, companies can benefit from a strategy of developing conductive specialty carbon black and conductive additives for lithium-ion batteries, along with the key target market trends we have identified. Lucintel predicts the global specialty carbon black market will be valued at \$3.0 billion by 2025, with an expected CAGR of approx. 6.0% between 2020 and 2025.

Lucintel identifies four trends set to influence the global specialty carbon black market. Most of the industry players and experts agree that these four trends will accelerate developments in the specialty carbon black industry in the near future. In terms of the widespread knowledge about the specialty carbon black market already on the horizon, there is still a lack of unified perspective on the direction the industry is moving to proactively address developments. To help bring more clarity to this gap, our study aims to provide insights concerning the direction that changes are taking and how these changes will impact the specialty carbon black market.

1. Shifting Focus from Commodity Carbon Black to More Specialized-Grade Carbon Black

Major players are shifting focus from commodity carbon black to specialty carbon black, aiming for high profit margins. Specialty carbon black grades are expected to grow faster because these grades can be used at lower-dosage addition levels to achieve similar tint strength. The growing entry of new players in the specialty carbon black market was mainly due to higher profit margins

per ton compared to those of commodity carbon black. Major players such as Cabot and Philips continue expanding their footprints in specialty carbon black industries. Specialty carbon black contributes four to five times more profit per ton compared to rubber carbon black grades, depending on the application where it is used.



2. Conductive Specialty Carbon Black

Conductive specialty carbon black provides conductivity in a diverse range of applications. Conductive specialty carbon black allows for achievement of optimal conductive or electrostatic dissipative (ESD) performance. It is used to improve battery performance and in plastic applications. Conductive carbon black products are used to render normally resistive polymers electrically conductive, which can protect materials and equipment against premature failure or damage due to electrostatic discharge.



3. Increasing Demand for Specialty Carbon Black in Lithium-Ion Batteries

The demand for specialty carbon black is growing due to increasing demand for lithium-ion batteries in consumer electronic products and electric vehicles. Specialty carbon black offers superior properties,



including good electrical conductivity, stability at the higher voltage, less solvency, and improved adhesion. The growth in demand for lithium-ion batteries is anticipated to have a positive impact on the development of the specialty carbon black market.

4. Conductive Carbon Black for Electrically Conductive Polymer Applications

Conductive carbon black is incorporated into polymers for permanent electrostatic discharge protection and explosion prevention, and in polymer applications that require electrical volume resistivity. Conductive carbon black is typically used, as the grades within this specialty carbon black family impart electrical conductivity to polymers at lower critical volume fractions than conventional carbon black. Hence, conductive carbon black materials influence to a lower degree the mechanical properties of the resulting conducting polymer compound. Conductive carbon black grades are produced by furnace black processes and by specially designed processes like the ENSACO® process, or they are obtained as byproducts from the gasification of hydrocarbons; these processes are based on the thermal-oxidative decomposition of hydrocarbons.

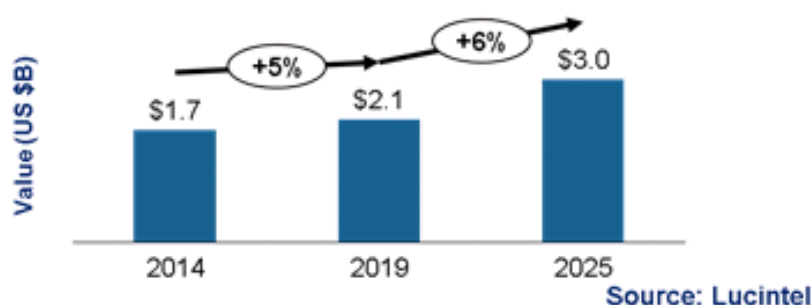


Strategic Considerations for Key Players in the Specialty Carbon Black Market

The specialty carbon black industry is dynamic and ever-changing. Successful industry players are necessarily masters of innovation, change, and adaptation. To retain this status, they need to be attentive to current trends. We believe there will be promising opportunities for specialty carbon black in the printing and packaging, building and construction, transportation, and

industrial sectors. As per Lucintel's latest market research report (Source: <https://www.lucintel.com/specialty-carbon-black-market.aspx>), the [specialty carbon black market](https://www.lucintel.com/specialty-carbon-black-market.aspx) is expected to grow with a CAGR of approx. 6.0% between 2020 and 2025, and reach \$3 billion by 2025. This market is primarily driven by increasing demand for plastics and coatings in the building and construction, packaging, and automotive industries.

Trends and Forecast for the Global Specialty Carbon Black Market (US \$B) (2014-2025)



Whether you are new to the specialty carbon black market or an experienced player, it is important to understand the trends that impact the development process, as these trends as listed above will lead players to create long-term strategy formulation that will allow them to remain competitive and successful in the long run. For example, to capture growth, some of the strategic considerations for players in the specialty carbon black market are as follows:

- Specialty carbon black market players can increase their capabilities to develop conductive specialty carbon black.
- Players can focus on conductive additives for lithium-ion batteries, which are expected to lead future trends.
- Investment in modernization of plants to meet or exceed the regulatory standards for environmental performance
- Research and development activities for development of low-cost specialty carbon black

Note: In order to gain better understanding, and learn more about the scope, benefits, and companies researched, as well as other details in the specialty carbon black market report from Lucintel, click on <https://www.lucintel.com/specialty-carbon-black-market.aspx>. This comprehensive report provides you in-depth analysis on market trends and forecast, segment analysis, regional analysis, competitive benchmarking, and company profiling of key players. In addition, we also offer **strategic growth consulting** to meet your customized needs. We have worked with many PE firms and corporate customers in the process of their market entry and M & A initiatives.

Lucintel - At a Glance

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- Management comprised of PhDs, MBAs, and subject matter experts. Head quarter in Dallas, USA.

Conducted 500+ consulting projects across industries for 3M, Audi, Dupont, Carlyle, GE, etc.

Consulting Services



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Industries Served



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