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Nikkei ▲ 19878.31 0.06%

Hang Seng ▼ 27793.54 -0.36%

U.S. 10 Yr ▼ 0/32 Yield 2.190%

Crude Oil ▼ 49.23 -0.14%

Yen ▲ 110.53 0.04%

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BUSINESS

Homeowners' Shift Away From DIY Projects Dries Up Paint Profits

Rising incomes and a stronger housing market have many hiring professional painters

By Andrew Tangel

Sept. 10, 2017 7:00 a.m. ET

Homeowners are increasingly leaving painting to the pros, complicating business for paint makers and retailers.

The U.S. housing market is strengthening, unemployment is low and incomes are rising. That means consumers have the means to pay someone else to do their home improvement projects, analysts and executives at paint makers say.

“More and more is being done by the professional painter,” said Dan Calkins, president of global sales at Benjamin Moore & Co. “People just don’t have the time.”

Executives at PPG Industries Inc., [PPG -1.53%](#) ▼ the Pittsburgh-based paint and coatings giant, say that younger home buyers are too scarce to propel retail paint sales.

Just more than 40% of Sherwin-Williams Co. [SHW -0.98%](#) ▼ customers were do-it-yourself painters in 2015, the Cleveland-based company said, down from nearly 60% in 1980. Senior Vice President Robert Wells said Sherwin-Williams can benefit from the shift because it sells to professional painters, too, and sales are increasing overall.

“While we don’t like to see our DIY business in our stores slowing down, we are the beneficiaries of this shift from DIY to do-it-for-me,” he said in a recent call with analysts.



The living room of a Chicago area condo job site is in the process of being painted by Jim Amatore's business, [Chicagopainters.com](#). Paint sales are rising overall, but profit margins are lower with contractors who buy paint in bulk or at a discount. PHOTO: SARA STATHAS / THE WALL STREET JOURNAL

Indeed, paint sales are rising overall. But margins on sales to consumers can be higher than on sales to professionals that sometimes buy in bulk or at a discount. Both PPG and Sherwin-Williams, which each operate their own retail stores as well, serve both types of customer.

The shift is also hitting big-box chains that cater to homeowners. Paint sales have lagged in recent months at Home Depot Inc. and Lowe's Co s. stores. Both retailers say they are trying to capture more of the professional paint market. Home Depot's sales to professional painters now outpace those to do-it-yourselfers.

Chris Richter, Home Depot's head paint buyer, said the retailer wants both kinds of customer. “We’re also still passionate about our DIY paint business,” he said.

A Lowe's spokeswoman said paint remains a core product. “The DIY paint project remains one of our customers’ most frequent home improvement projects,” she said.

Another driver of business to professional painters is baby boomers who are fixing up their homes.

“As they’re getting older they’re doing more renovations and they’re actively investing



Carlos, a professional painter, and Chicagopainters.com owner, Jim Amatore, work on a residential condo job site. PHOTO: SARA STATHAS / THE WALL STREET JOURNAL

in their home in preparation for retirement,” said Nino Sitchinava, principal economist at Houzz, an online platform for pairing homeowners and contractors.

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Demand for professional painters is outstripping supply of available labor. Surveys provided by HomeAdvisor, which helps homeowners find contractors, indicate nearly all professional painters’ are seeing strong revenue growth that would be even stronger if they could find more workers.

“The labor shortage is real and it’s not getting any better,” said Brad Hunter, HomeAdvisor’s chief economist.

Nicole Buddin, a 31-year-old marketing manager in Chicago, recently hired pros to help paint her new house in the suburbs after she and her husband painted their condo in the city themselves three years ago.

“It’s just so time consuming,” she said. “We swore we wouldn’t do that again.”

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