



# It's "Buyer Beware" in the Online Colored Pencil Marketplace

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It's a slow day and you're cruising Amazon, thinking how much fun it would be to have a new set of colored pencils, when you see a set of 72 for only—can this be right?—\$29.99! The reviews are good, the pencils are called "expert," "professional," or maybe "artist" grade, and the description of how they perform is enticing. Then you see another set: 120 for \$34.99! Then, golly: 150 for \$19.99! Wait... what's going on here? How can high quality colored pencils sell for 42 cents each? Or 29 cents? Or 7 cents?

The simple answer is: they can't.

## So what is going on here?

It's called the adult coloring book or ACB. Starting with one book published in 2011, the ACB craze reached its peak in 2015, with 12 million coloring books sold that year, up from 1 million the previous year, according to a May 31, 2018, article by Adam Rowe for *Forbes*.

As ACB sales exploded, so did sales of colored pencils. Retailers could not keep up with the demand, and manufacturers in Europe and Mexico were caught unawares. Production was increased, but the factories were already behind the curve, and production delays were exacerbated by long U.S. import processes, leaving distributors' warehouses empty.

To fill the gap, entrepreneurs began entering the colored pencil market in large numbers. Those of us who monitor that market saw the number of new brands of pencils increase dramatically in 2016 and 2017, while, at the same time, prices for colored pencil sets



Deborah purchased five sets of inexpensive pencils to test. Fading started after only one week of exposure and, after two weeks, many more had faded or changed color, with two colors disappearing altogether. 28% of the colors tested from each set exhibited severe color changes after only two weeks.

plummeted. Where once you might expect to pay \$1.50 and up for a professional quality pencil, you can now find dozens of brands of pencils advertised as "professional" grade for prices ranging from 7 cents to 50 cents per pencil.

## You get what you pay for

**Stefan Lohrer**, national sales manager for Creative Art Materials, the U.S. distributor of Caran d'Ache colored pencils, cautions consumers that it simply is not possible to make a quality pencil and sell it for such a low price.

"Pigments are extremely expensive," he says, so cheaper pencils will use dyes instead, which are not lightfast and may be toxic. "And it's not just about the pigments. Reputable pencil manufacturers are also concerned with color retention when a pencil core is dissolved in water or solvent; with quality control in the manufacturing process, including core strength and adhesion to the barrel; with toxicity, not just of the core but also of the metallic foil and the paint used to mark the barrel (which in cheaper

pencils may contain lead); and with excluding allergens such as soy products that may cause allergic reactions in some consumers." They also ensure their manufacturing processes are good for the environment and safe for their employees, which adds to the per-pencil cost.

**Ed Brickler**, art education director and technical consultant for ChartPak, agrees. "Manufacturers are required to have all products tested for toxicity, and there are strict guidelines for

labeling. All of these things add to the cost of the products."

**John Divis**, president of Creative Art Materials, also notes that reputable pencil manufacturers and distributors sell their products not just online but also in brick-and-mortar retail stores, and they advertise their professional pencil lines directly to the fine artist market, in magazines that target artists and through relationships with major retailers. "Advertising adds another 2% to 3% to the cost of a pencil," says Divis.

So how can all these new pencil brands retail at such low prices? Because, it must be inferred, the manufacturers have sacrificed safety, performance, and environmentally sound manufacturing practices to keep production costs very, very low. They also forego the costs associated with the traditional retail model.

**Kyle Richardson**, president of Royal Talens North America, says online sellers often are not retailers in the traditional sense. Instead, he says, "You may be

dealing with someone who has no stock, who's sitting in a basement somewhere, who orders from somewhere else to ship to you."

Divis explains, "These online sellers go directly to a manufacturer, typically in Asia, and place an order for 10,000 sets of pencils. They have them customized [paint, numbering, packaging, etc.], and sell as many sets as they can as fast as they can." He warns that these sellers have neither expertise nor commitment. "They put a bunch of numbers into something like Google Analytics and it spits out things they should sell: wooden spoons, colored pencils, radial tires. They go out and get the best deal they can for whatever it is, and then they're in the radial tire or colored pencil business until the profit numbers start to fall. Then they get out and move on to glass mixing bowls. Numbers drive what they sell."

That's why previously unknown colored pencil brands that pop up in January on Amazon selling for really low prices may be gone by June. It's also why the companies selling them have some very untraditional business profiles.

## The new landscape of art materials retail

### Example 1

In the summer of 2018 I was asked about a new brand of pencils that had appeared on Amazon the previous year. Made in the People's Republic of China (PRC), the pencils themselves are inexpensive, retailing between 30 and 40 cents each.

The barrels are painted black, the finished ends are painted to match the pencil core color, and the two areas are separated by a silver band. A review of Amazon's 13 pages of colored pencils turned up four additional sets with the same black barrel, painted end, and silver band, sold under four different brand names, and retailing for under 50 cents per pencil.

Searches on Alibaba.com and Global-Sources.com turned up several (I stopped looking after seven) pencil factories in the PRC offering to manufacture customized colored pencil

sets, including one that will deliver up to 100,000 48- or 72-pencil sets a week, for between \$8 and \$16 per set. The pencils featured on several of these websites have—you guessed it—black barrels, painted ends, and silver bands.

**Judith Selcuk** of the UK Coloured Pencil Society and I both did some online research for information about the company whose name is on these pencils. The company's website indicates that, in addition to pencils, it sells artists' paints and brushes and sketch books.

The website's domain name was registered by a physician with a residential address in Oregon, according to WHOIS. Someone with the same name trademarked the company's name in the United Kingdom. On Amazon UK, the seller of these same pencils is identified as a medical clinic located in England.



These pencils—sold under five different brand names—all have black painted barrels and ends to match the pencil core color, with the two areas separated by a silver band.

The physician associated with the clinic, the owner of the UK trademark, the owner of the website domain name, and the physician living at the Oregon residence all have the same name. At no point did we locate anything that looked even a little like a traditional art retail business.

### Example 2

Another new brand of colored pencils that appeared on Amazon in 2017 is

**WHOIS** is a free look-up service that identifies information associated with every domain name, including date the name was registered and the name of the registrant. The WHOIS service is provided by The Internet Corporation for Assigned Names and Numbers (ICANN), a nonprofit responsible for administering and maintaining the databases that underlie the structure of the internet, including internet addresses (URLs) and domain names ("company.com"). See [whois.icann.org](http://whois.icann.org).

also made in the PRC, with pencils that retail at about 40 cents each. The pencils are advertised as "expert" grade. The company selling these pencils was started in 2015 and is registered in Delaware. Its business address is not a retail store, warehouse or residence; it is a multi-story co-working facility that offers virtual office space and accommodation addresses to companies that don't have their own dedicated business premises.

BuzzFile defines their business category as "Catalog and mail-order house." None of the major art supply retailers I checked sell any products carrying this brand name. The pencils are not available in open stock. The inference is that the company purchases bulk art supplies branded and packaged with its name and ships directly to customers who order through Amazon or the company's own website. There's really nothing wrong with that, unless you have a technical question about the pencils, in which case there's likely no one at the company who has the expertise to help you.

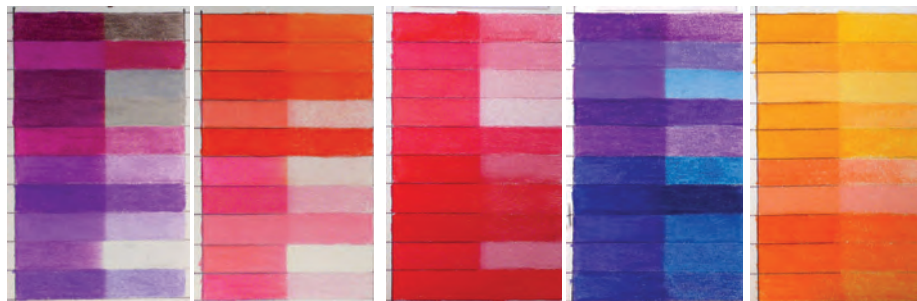
## So how do these low-cost pencils perform?

Regardless of the business model, what really matters is performance, right?

Early in 2018, I purchased five sets of pencils to test (none were the two example sets, above). Three of the sets had been brought to my attention by questions from members: Thornton's Art Supply (a set of 150), Schpirrer Farben

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## Buyer Beware...continued



Exposed colors (on right side of each test board) show significant changes after only two weeks of exposure.

(72), and Marco Renoir Fine Art (72); the other two I selected at random: Hero/Guanghui (168) and Ohuhu/Marco Raffine (72). At the time, all retailed for under \$1 per pencil.

The Schpirrer Farben and Marco Renoir Fine Art do not indicate the country of manufacture on their boxes; the other three were made in Asia. As of December 2018, the Ohuhu/Marco Raffine and the Hero/Guanghui were no longer available on Amazon (although there is a set called “Wanshui” which looks exactly like the Hero set, at 15 cents per pencil).

I made test swatches of 120 of these pencils, choosing similar colors from all five sets, and put them outside. After one week, seven pencils had faded noticeably, four had changed color considerably, and three had disappeared altogether. After two weeks, thirteen more pencils had faded noticeably, five more had changed color considerably, and two more had disappeared altogether. That’s 34 pencils (28%) exhibiting severe color changes after only two weeks. The changes were seen in pencils from all five sets.

### And are they safe?

Markings on the packaging of colored pencils should help you evaluate whether they’re safe to use. First, the Labeling of

Hazardous Art Materials Act (LHAMA) requires that all art materials sold in the U.S. must carry the ASTM D4236 badge, certifying that the product’s packaging accurately warns consumers of any



chronic health hazards associated with the product and/or its contents.

Similarly, the Approved Product (AP) and Cautionary Labeling (CL) seals of the Art and Creative Materials Institute (ACMI) certify that the products are labeled in accordance with ASTM D4236 and LHAMA. Of the five sets I bought for testing, three carry neither the ACMI seals nor the ASTM D4236 badge. Of the other two, one has only a statement that the product conforms to ASTM D4236 and one has only the ACMI AP seal.

LHAMA and the Federal Hazardous Substances Act (FHSA) may regulate sales in the U.S. of art supplies imported in bulk by mainstream retailers, but buyers are not restricted by these laws when shopping online. Moreover, there’s no real reason to believe that the pencil sets originating from Asian factories in large numbers that do carry these seals and markings are, in fact, properly labeled or have ever actually been tested for hazardous substances at all.

### So how do you know what to buy?

Of course, you may not be worried about quality if all you want is an inexpensive set of pencils to sketch with, or to give to the kids in your family, but you should be worried about safety, especially if those children (or their pets) might chew on the barrels. If you sell your artwork, you owe it to your clients to use pencils that are lightfast, so that the artwork doesn’t degrade over time—and certainly not in two weeks! If you are concerned about the environment, you should choose pencils made with responsibly harvested wood in factories that limit their volatile organic compounds (VOC) emissions.

Those considerations will absolutely raise the cost of the pencils, yes, and there are only a handful of manufacturers whose products meet those conditions and whose target customers understand the relationship of cost to quality.

So if you pay less than \$1 per pencil, you should be very wary that the pencils in the set may be low quality, unsafe, previously used, and/or fraudulently packaged. If you see pencils that look very similar being sold under multiple brand names, it’s likely they were made cheaply and poorly and customized for an online seller who has neither expertise nor a long-lasting commitment to the customer.

In other words, it’s buyer beware: cheap pencils are simply not the bargain they appear to be.



If you give low-quality pencils to the kids in your family, be worried about safety, especially if the children (or their pets) might chew on the barrels. Not only can there be toxic dyes in the cores, but the paint on the barrels may be toxic as well.

**ACMI** The Art and Creative Materials Institute, Inc. (ACMI) is an international association of about 200 art, craft, and creative materials manufacturers which seeks to promote safety in art and creative products through its certification program.