Product Care Ontario Paint Industry Stewardship Program



Member Webinar

July 23, 2015



Webinar Staff Support

Product Care Association

- Mark Kurschner President
- Patrick Chauvet Ontario Program Director
- Holly Lafontaine Program Coordinator
- Kevin Kim Senior Accountant
- David Delachoux Account Receivable



Webinar Agenda

- Introduction
- Product Care & ReGeneration
- Product Care's Paint ISP Program
- Reporting To Product Care
- Remitter and Reporter Arrangements
- Small Remitter Policy
- Reporting Navigation
- Member Support
- Timeline & Key Activities
- Resources & Contact Information
- Q&A



ON Program Launch

- Product Care's (PCA's) ON Paint program launched June 30, 2015 (EOD)
- Thank you to all of our members for making this program possible
- 60 PCA ON Paint members are currently participating in the program which represents approximately 98 % of the market share



Product Care Association - Overview

- Product Care
 - is a Federal Non-profit Product Stewardship Association
 - started 21 years ago in British Columbia
 - develops, implements and manages 14 product stewardship program in 9 provinces, on behalf of industry



Product Care Association - Overview

- - Paint: BC, SK, MB, NB, NS, NL, PEI, ON



Flammable liquids (including solvents), pesticides and other HHW products: BC, MB



- Lighting: BC, MB, QC, PEI
- Smoke and CO Alarms: BC
- Small Appliances: BC, contracted by CESA



- Major Appliances: BC, contracted by MARR
- Outdoor Power Equipment: BC, contracted by OPEIC



Product Care & ReGeneration



- Corporate Name
- Remains as the legal name that appears on all contracts and agreements



- Consumer-Facing Brand
- More intuitive and engaging to consumers
- ReGeneration is the umbrella brand under which all programs are represented (PaintRecycle, LightRecycle, AlarmRecycle etc.)



Product Care/ReGeneration Website

- The principal tool of PCA's ReGeneration communications platform is the website, **ReGeneration.ca**. It hosts consumer, **member** and program partner website pages, providing relevant information to each group
- Member Resources for Ontario Product Care members are available at: www.regeneration.ca/member-support/ontario/



Product Care's Paint ISP Program

- As of June 30, 2015 PCA assumed the end-of-life management for paint including collection, transportation and processing
- Program was developed with the support from industry partners and the Canadian Paint and Coatings Association (CPCA)
- Enables paint stewards to meet their obligations under the Waste Diversion Act.
- Offers industry management and cost predictability with fixed unit based fee rates (EHFs)
- PCA is currently working with service providers, municipalities and return to retail stakeholders to improve program performance and efficiency



Product Definition in ON Paint ISP

- Paint ISP program products include products sold to:
 - Residential and
 - Designated ICI Businesses (Small Quantity Generators)
- Products sold to "large volume generators" (typically identified by an HWIN registration) are not currently included in the Paint ISP. However, PCA does manage the end of life of large volume generators in other PCA programs in Canada and will consult with stakeholders to assess the feasibility of this in Ontario



Product Definition in ON Paint ISP

- Definition of paints and coatings under the ISP was expanded from the SO program definition to include:
 - non-pesticide marine coatings and
 - all aerosol paints, not limited to architectural (includes automotive, craft and industrial products)
- Wood, masonry, driveway & roof sealers/coatings or water repellents (including all tar based & bitumen based) will remain on the inclusion list
- A detailed product list is available at www.regeneration.ca/membersupport/ontario/





Paint ISP EHF Rates

| Product Category | PCA ON Paint ISP EHF Rates |
|--------------------------|----------------------------|
| 100 ml to 250 ml | \$ 0.20 |
| 251 ml to 1 litre | \$ 0.35 |
| 1.01 litres to 5 litres | \$ 0.85 |
| 5.01 litres to 25 litres | \$ 2.15 |
| Aerosol paint (any size) | \$ 0.25 |

- PCA refers to its fees as "Environmental Handling Fees" or EHFs
- We encourage all members of the program to use this terminology when describing PCA's funding model to your stakeholders



Paint ISP EHF Rates

- EHF rates are applied per unit of product sold/supplied in each product category in Ontario
- EHF rates were derived from a multi-year budget approved by PCA's Board of Directors with input from stewards
- At least 90 days notice will be given to members of any rate increase or decrease if required



No Visible Fees

- As a member of the ON Paint ISP you are required to have "no visible fees" displayed to the end-user of paints and coatings products
- Companies are allowed to display EHFs in business to business transactions provided the business is not the end-user





No Visible Fees

- During the member registration process, ON Paint members accepted the Supplementary Letter of Agreement for the Ontario Paint ISP which includes the "no visible fee" requirement
- This requirement is meant to reduce consumer confusion which occurred in the past
- EHF rates are expected to be incorporated into the price of the paint product to the end-user in the same way as other costs (eg. manufacturing, transportation, retail operation, etc.)
- This requirement does not mean that EHF rates are a secret, in fact, EHF rates are publicly available on our website

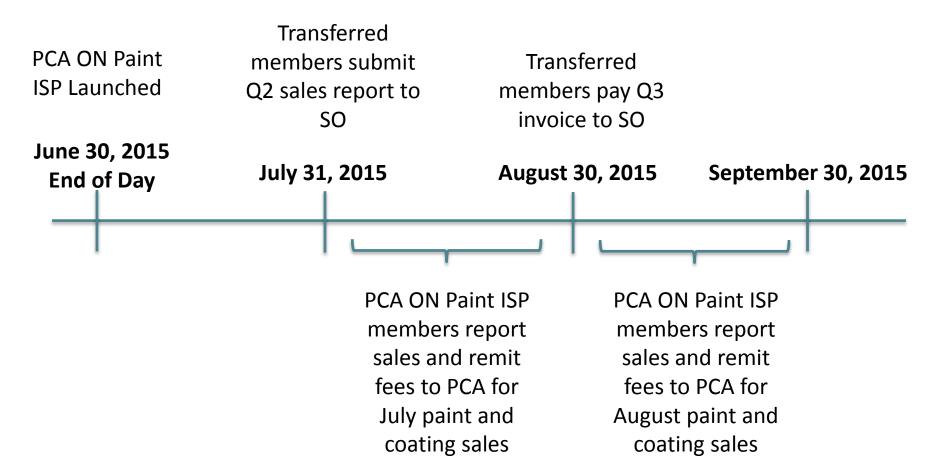


Reporting To Product Care

- PCA's Paint ISP members begin reporting to Product Care as of August 1, 2015 for July 2015 paints and coatings sales
- Reports and fee remittance are due within **30 days** of a calendar month end
- Fee reports and remittances are required monthly, except for qualifying "small remitters"
- Once a monthly report is submitted, an invoice is automatically generated based on the EHF rates plus HST



Reporting To Product Care





"Remitter" & "Reporter" Arrangements

- PCA allows stewards within the supply chain (e.g. supplier, distributer, retailer) to determine who reports and pays
 - the "remitter" does not have to be the actual obligated steward
 - must be documented (e.g. remitter agreement b/w the two parties)
 - the steward that agrees to report and remit to PCA must be a PCA member
- "Reporting Steward" concept is still an option in the ON Paint program. This requires:
 - pre-approval by PCA to grandfather the existing SO reporting relationship into PCA (please contact holly@productcare.org asap)
 - both parties to be PCA members
 - the completion of the Reporter-Supplier agreement by both parties
 - a reporter account set up for each reporter/supplier pairing



Small Remitter Policy

- Small remitter policy exist for those that:
 - have reported and remitted for 1 year in the program (or satisfactory sales history provided)
 - remit less than \$10,000 per year for all Product Care programs
 - are in good standing with PCA for all programs
- If you wish to start on quarterly reporting for ON Paint:
 - please submit your last 5 quarters of SO paints and coatings sales reports to <u>holly@productcare.org</u> by July 27 2015
- If approved as a small remitter, your first reporting period will begin October 1, 2015 for July, August and September 2015 sales



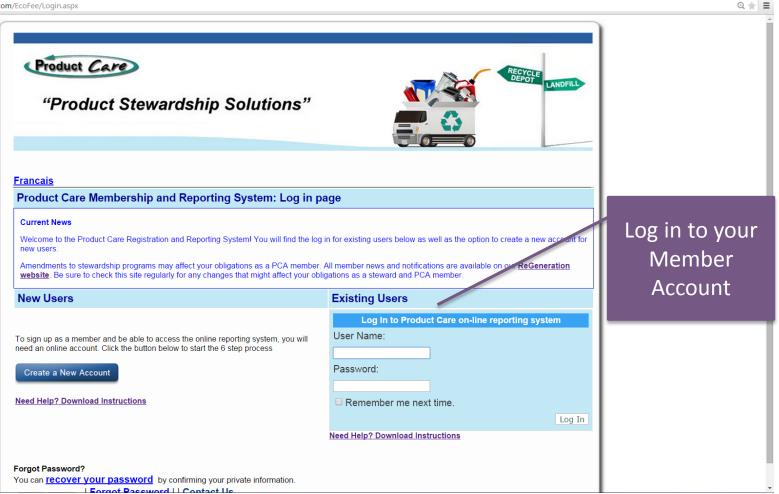
Reporting Navigation

@☆ 👸 🔳 ← → C 🗋 www.regeneration.ca/member-support/ontario/ Ω MEMBER SUPPORT Français eGeneration **FIND A** COLLECTION SITE CONTACT MEMBER SUPPORT Ontario Overview Holly Lafontaine Hello Ontario Steward! Welcome to your dedicated support page. Click on <u>Ontario</u> Program Coordinator British Columbia This page is designed to get you to the information or resources you require Direct: 778-372-4464 Toll-free: 1.877.592.2972 X 239 in just a few quick clicks. Saskatchewan Hours: Monday - Friday PCA Reporting Manitoba 8:00 AM - 4:00 PM (PST) Topics covered in this section are listed in the navigation table below. Québec Additionally, you can access your member account by clicking on the PCA on the right Reporting green box to your right. We encourage you to visit this site New Brunswick frequently for relevant updates on the program. Newfoundland and Labrador PCA Reporting We value your partnership and look forward to working with you to make Nova Scotia Ontario PaintRecycle (launched June 30, 2015) a success! Prince Edward Island Still can't find what you're looking for? Ask us a question. We're here to help. **ARE YOU A SERVICE** PARTNER? Regulatory > Accepted Products & Fee Rates > Program Information & Reporting > **RECENT ANNUAL** Membership Documents > REPORTS CONTACT US!

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Reporting Navigation

← → C 🔒 https://www.ecofeereporting.com/EcoFee/Login.aspx

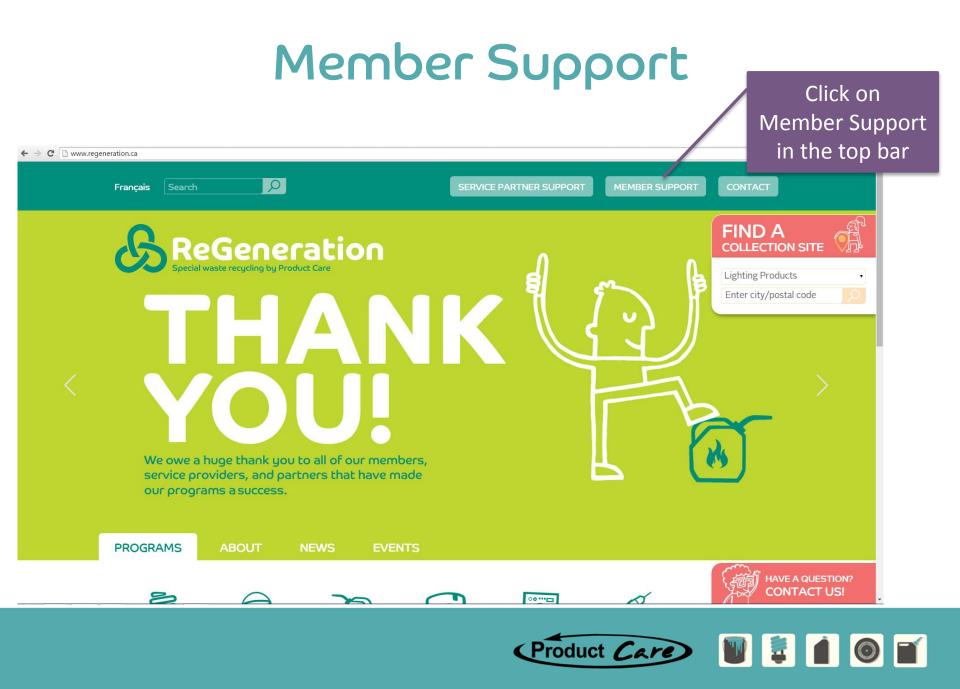


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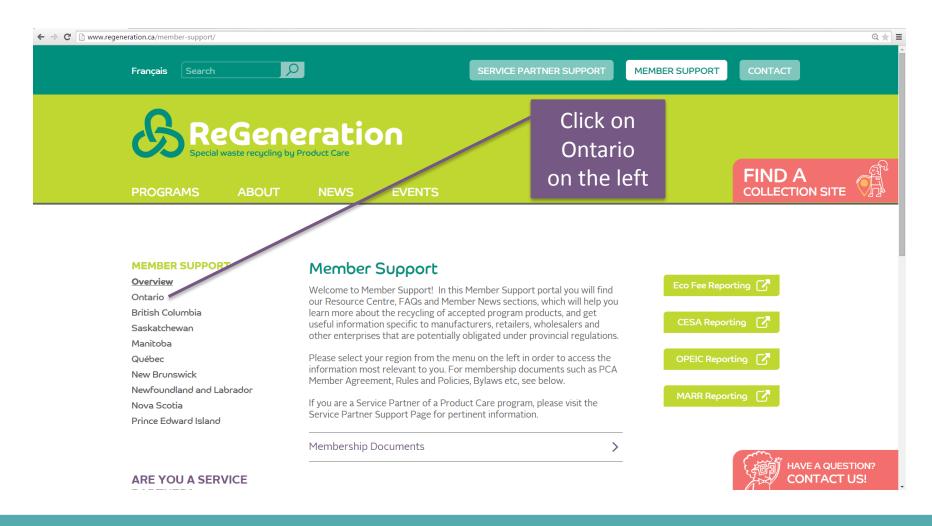
Reporting Navigation





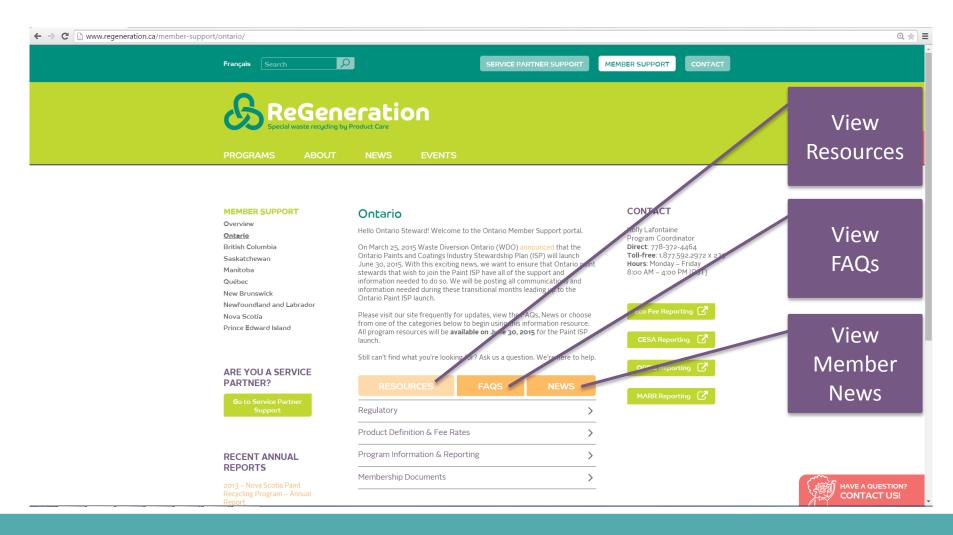


Member Support





Member Support



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Timeline & Key Activities

| Activities | Dates |
|---|----------------|
| Contact PCA about grandfathered Reporter-Supplier Agreement if you have not done so already | By July 27 |
| Complete Reporter-Supplier Agreements for those that have already initiated | By Aug 1 |
| Contact PCA and provide supporting documentation for small remitter evaluation | By July 27 |
| Submit Q2 sales report to SO to remain in good standing | July 31 |
| Report July 2015 sales and remit fees to PCA | Aug 1 – Aug 30 |
| Pay Q3 invoice to SO to remain in good standing | Aug 30 |



Resources & Contact Information

Member resources and FAQs can be found on the ReGeneration website at:

http://www.regeneration.ca/member-support/ontario/

For additional program support, contact:

Patrick Chauvet Ontario Program Director patrick@productcare.org Toll free: 1.877.592.2972 x 356 Direct: 416.307.2886 Holly Lafontaine Program Coordinator holly@productcare.org Toll free: 1.877.592.2972 x 239 Direct: 778.372.4464 Kevin Kim Senior Accountant kevin@productcare.org Toll free: 1.877.592.2972 x 221 Direct: 778.331.6976



Thank you!

The Product Care Team

