

Saskatchewan Waste Paint Management Program

2015 Annual Report

Reporting Period: January 1, 2015 to December 31, 2015





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1 Introduction

The Saskatchewan Waste Paint Management Program ("Program") is operated and managed by Product Care Association of Canada ("PCA"). PCA is a federally incorporated, not-for-profit product stewardship association formed in response to stewardship regulations and is governed by a multi-sector industry board of directors.

This annual report is prepared in accordance with the requirements outlined in <u>The Waste Paint Management</u> <u>Regulations Chapter E – 10.21 Reg 3</u> ("Regulation") issued under <u>The Environmental Management and</u> <u>Protection Act 2010</u>, and the commitments set out in the Saskatchewan Waste Paint Product Management Program Plan for the period January 1 – December 31, 2015.

PCA also operates stewardship programs in seven other Canadian provinces: British Columbia, Manitoba, Ontario, Nova Scotia, New Brunswick, Newfoundland and Prince Edward Island. See the PCA website at <u>www.regeneration.ca</u> for more information.

2 Program Summary

As stated in section 2(c) of the Regulation, the Program accepts the following categories of products ("Program Products"):

- (i) Any latex, oil or solvent-based architectural coating;
- (ii) Any architectural stain, varnish, lacquer or other wood or masonry treatment product; and
- (iii) Any type of paint sold in a pressurized aerosol container.

The Program offers collection services throughout the province to which consumers can bring leftover household paint. Collection sites include SARCAN's collection depot network, as well as retail locations. The program also offers a program whereby better quality paint collected at SARCAN depots is offered to the public for reuse at no charge ("Paint Exchange"). The Program supplies collection sites and events with standard reusable collection bins (i.e., tubskids). SARCAN manages the collection and shipment of collected paint to a processor for recycling. Additional program elements managed by PCA include revenue management, communications and administration.

3 Collection System

PCA does not directly own or manage any collection sites, but rather contracts SARCAN to provide the collection services for left-over paint at its 71 depots across Saskatchewan. PCA also contracts and partners with 13 retail locations throughout the province to provide additional collection sites.

In addition to the established collection network, PCA participated in a number of one day collection events around the province in partnership with municipalities.





4 Program Products Collected

4.1 Tubskids Collected

The Program utilizes tubskids (approximately 4'x4'x3' plastic boxes) for the collection and transportation of leftover paint. Table 1 provides the number of tubskids collected in 2015.

Table 1: Tubskids Collected

Tubskids Collected	2015
Paint	2,372
Aerosol	86
Total	2,458

4.2 Residual Volumes Collected

Table 2 provides residual volumes of paint collected in 2015. The residual volume includes all paint collected¹, as well as volumes reused through the Paint Exchange program.

Table 2: Residual Volumes of Paint Collected

Paint Collected	2015
Water-based paint (L)	285,105
Solvent-based paint (L)	137,836
Total Collected (L)	422,941

4.3 Recovery Rate

Recovery rate compares the quantity of products collected by the Program during the year with the volume of products sold over the same period.² Using recovery rate as an indicator of program performance is problematic. First, paint is designed to be consumed, so it is arguable that lower collection volumes are an indicator of program success. Second, recovery rate is influenced by a number of factors, most of which are beyond the Program's control. The amount of paint sold is highly dependent on economic conditions. Similarly, the amount of paint collected is conditional on consumer behaviours (i.e., consumers often store product for long periods of time). Consequently, the amount of Program Product collected in a year does not directly correspond to what is sold into the market in the same year.

¹ Volume of paint collected is calculated by taking the number of tubskids of paint collected and multiplying it by different conversion factors of 89 litres, 53 litres and 57 litres per tubskid for water-based, solvent-based and aerosol paints respectively.

² Recovery rate is calculated by dividing the volume of residual paint collected by the volume of paint sold each year.





Table 3 sets out the volume of paint sold, paint collected and recovery rate for 2015.

Table 3: Recovery Rate

Recovery Rate	2015	
Sales (L)	6,710,000	
Total Collected (L)	422,941	
Recovery Rate*	6.3%	

* Recovery rate includes Paint Exchange volumes.

5 Product Management

The Program employs a number of methods for managing recovered paint: Reuse (Paint Exchange), recycling, energy recovery, landfill, incineration and container recycling. These approaches are described in greater detail below. Table 4 below summarizes the volumes of paint managed according to each processing method in 2015 as reported by the processors responsible for each processing method.

5.1 Reuse- Paint Exchange Program

The Paint Exchange Program is offered through all 71 SARCAN depots. Paint collected at the depots and deemed reusable is given away to members of the public at no charge. In 2015, a total of 80,385 litres of paint collected by the Program were reused through the Paint Exchange Program, including approximately 73,938 litres of water-based paint and 6,447 litres of solvent-based paint. Volumes are calculated based on the assumption that the average paint container is 75% full.

5.2 Recycling

In 2015, 174,587 litres of water-based paint was processed by the Program back into paint. Regulatory limits on VOC and limited demand for oil based paints make this option unviable for alkyd paints.

5.3 Energy Recovery

In 2015, 125,665 litres of solvent-based (alkyd) paint was processed by the Program and used as an alternative energy source in waste to energy applications such as licensed/permitted incineration.

5.4 Landfill

In 2015, the Program recovered 29,772 litres of water-based paint that could not be reused or recycled. This paint was solidified and sent to landfill.

5.5 Incineration

In 2015, 1,230 litres (approximately 6 drums) of solvent-based (alkyd) paint exhibiting PCB contamination were incinerated at a permitted incinerator.





5.6 Container Recycling

In 2015, 99.8 tonnes of metal paint cans were sent to scrap metal dealers for recycling. In addition, 3.1 tonnes of plastic paint containers were sent to plastics brokers for recycling. This represented 100% of all containers processed by the Program.

Table 4: Material Processing Methods and Volumes Processed

Material Process Method	Total
Reuse Paint Exchange Program (Total)	80,385 L
Water-Based Paint	73,938 L
Solvent-Based Paint	6,447 L
Recycling	174,587 L
Energy Recovery	125,665 L
Incineration	1,230 L
Landfill	29,772 L
Metal containers recycled	99.8 Tonnes
Plastic containers recycled	3.1 Tonnes

6 Public Education and Communications

The Program is committed to engaging with stakeholders, including consumers, collection locations, municipalities and retailers, to maintain a level of consumer awareness about the Program. The following is a summary of the public education strategies used in 2015.

6.1 Advertising

- Central Canada targeted digital campaign via YP Group. Syndicated Facebook posts, targeted digital display ads, smart digital display (re-serving impressions to pre-qualified audience) ran for the full calendar year.
- Province-wide campaign with Global TV began to air June 29 and spanned the remainder of the calendar year, including:
 - Community PSAs Local talent voiced 15 second "info-mercial" style spots educating viewers on paint recycling.
 - Heavy rotation of 30 second, traditional commercial spots aired on prime time during high viewership programming.

6.2 Point of Sale (PoS) and Point of Return (PoR) Materials (see Appendix A)

In 2015, PCA redesigned and distributed both PoS and PoR materials as requested by retailers and collection sites. The following materials are available for reorder on demand at no charge through our online order form:





- Rack cards
- Posters
- Depot signage

6.3 Program Website (see Appendix B)

ReGeneration.ca includes the following bilingual content for the Program:

- Program general information page
- Collection site finder
- Collection site hours and operations
- Program product lists
- Information for trade painters (list of collection sites that can accept large volumes);
- Other information (such as a description of the paint exchange program).

An estimated 109,859 unique visitors utilized the website during the 2015 calendar year. The Program pages specific to Saskatchewan received 1,180 visits.

6.4 Toll-free Number

PCA operated a toll-free number (1-888-772-9772) to answer consumer inquiries about the Program.

6.5 Events/Partnerships

The Program also continued its partnerships with the following organizations:

Saskatchewan Waste Reduction Council

PCA is a sustaining member of the Saskatchewan Waste Reduction Council. The Council helps promote responsible recycling of paint as part of its "where do I recycle" online database. They also run a booth for PCA and other product stewardship organizations at homeshows in both Saskatoon and Regina on a fee for service basis.

As in past years, PCA partnered with other product stewardship organizations to work with the Saskatchewan Waste Reduction Council, which had four summer student ambassadors travel the province promoting the various stewardship programs between May 1 – August 28, 2015. The ambassador team participated in four community events, attended two SARCAN depot events and visited 71 SARCAN depots, 170 retail locations, and 260 municipal offices where they interacted with key stakeholders and provided information & promotional material to collection sites. PCA supplied branded program giveaways for eventgoers to facilitate website recall, a branded engagement game (bean bag toss) that graphically tied back to paint recycling, and program-branded event materials such as tablecloth and pop-up banner.

Recycle Saskatchewan

PCA is a founding member of Recycle Saskatchewan (RS), a primarily government-facing group serving as a unified voice for the product stewardship programs and supporting the fostering a recycling minded culture within the province. As part of Recycle Saskatchewan, the Program:

• Produced a statistical booklet and handout on all stewardship programs, including PaintRecycle



- Sponsored and took part in the Saskatchewan Living Green Expo, a tradeshow focused on sustainable lifestyles.
- Sponsored and took part in the Solid Waste Association of North America Northern Lights chapter workshops
- Sponsored and took part in the Saskatchewan Waste Reduction Council workshops
- Participated in the Saskatchewan Urban Municipalities Association conference.
- Participated in the Homestyles home show (Saskatoon).
- Participated in the Spring Home Show (Regina).

ARWMAS

PCA is an associate member of the Association of Regional Waste Management Authorities of Saskatchewan (ARWMAS). Through this membership, PCA participates on a monthly conference call with other members, which includes managers of the various regional waste management authorities, representatives of other product stewardship organizations, private waste and recycling contractors and representatives from provincial and municipal government. These calls provide opportunities to share program information, answer questions and generally raise program awareness among those working in the waste and recycling fields.

7 Financial Information

A summary of the Program's financials for 2015 is provided in Table 5.

Table 5: Financial Summary

Revenue and Expenses (\$'000)	2015
Total PaintRecycle Revenue	982
Program operations	954
Program administration	90
Education, Public Awareness & Communications	57
Total Operating Expenses	1,101
Surplus/Deficit	(119)
Cumulative Surplus (Reserve)	768

Any surplus in revenue is retained as a reserve to cover any deficits in future years, subject to PCA's Reserve Policy. The Program Plan stipulates that surplus funds will be used only for Program costs, and may not be used to cross-subsidize other programs. In addition to insurance coverage, the accumulated surplus also functions as an element of the Program's environmental risk management system.

PaintRecycle





Appendix A: Redesigned Informational Brochure and Depot Sign

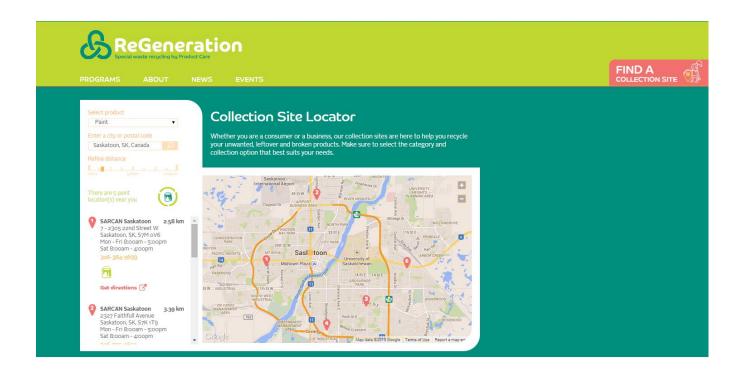


(n) PaintRecycle Collection Site Accepted Paints & Coatings Paint products • Interior and exterior: water-based (e.g. latex, acrylic) and oilnot accepted based (e.g. alkyd, enamel) consumer paint Unidentifiable or unlabelled containers • Deck and floor coating (including elastomeric) Brushes, rags and rollers • Varnish and urethane (single-component) Paint in glass containers Improperly sealed paint containers Concrete and masonry paint • Drywall paint Paint containers with poor integrity • Undercoats and primers (e.g. metal, wood etc.) (e.g. badly rusted or leaking cans) Stucco paint **Bulging containers** • Marine paint (unless registered under Pest Control Products Act) Industrial paints & finishes (e.g. baked-on, heat resistant etc.) Wood finishing oil Paints or wood preservatives that are registered as a pesticide under the Pest Control Products Act (has a P.C.P. Registration Melamine, metal and anti-rust paint, stain and shellac • Swimming pool paint (single-component) Stain blocking paint Craft paint (non-aerosol) Automotive paint (non-aerosol) Textured paint Two-part or component paints containing catalyst or activator Block filler • Wood, masonry, driveway sealer or water repellant (non-tar Roof patch or repair Tar or tar/bitumen-based products based or bitumen based) Traffic or line marking paint • Already empty paint containers **Quick drying paint Aerosol Paint** Resins Paint thinner, mineral spirits or solvents Deck cleaners Aerosol paint of all types, including: **Colorants and Tints** Caulking compound, epoxies, glues or adhesives Other household chemicals Automotive • Craft Industrial B SARCAN **ReGeneration.ca** Product Care A DIVISION OF THE BASKATCHEWA





Appendix B: Redesigned Online Collection Site Locator



URL: http://www.regeneration.ca/collection-site-locator