Saskatchewan Waste Paint Management Program 2019 Annual Report

June 22, 2020

Submitted by:

Product Care Association of Canada



productcare.org

Table of Contents

1.0 Introduction
2.0 Program Summary1
3.0 Collection System
4.0 Program Products Collected
5.0 Product Management
6.0 Public Education and Communications6
7.0 Financial Information9
Appendix 1 – Collection Site Locator
Appendix 2 – CPCA Insight Print Advertisement
Appendix 3 – Digital advertising activities13
Appendix 4 – PoS and PoR Materials17

List of Tables

Table 1: Tubskids Collected in 2019	2
Table 2: Estimated Residual Volumes of Paint Collected in 2019	3
Table 3: Recovery Rate for 2019	4
Table 4: Material Processing Methods and Volumes Processed	6
Table 5: Financial Summary 2019	9
Table 6: Current Environmental Handling Fees	10



1.0 Introduction

The Saskatchewan Waste Paint Management Program ("Program") is operated and managed by Product Care Association of Canada ("Product Care"). Product Care 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 *The Waste Paint Management Regulations Chapter E – 10.21 Reg 3* ("Regulation") issued under *The Environmental Management and Protection Act, 2010*, and the commitments set out in the Saskatchewan Waste Paint Product Management Program Plan ("Program Plan") approved by the Saskatchewan Minister of Environment on May 7, 2005. This report provides information for the period covering January 1 – December 31, 2019.

Product Care operates product stewardship programs for paint in seven other Canadian provinces: British Columbia, Manitoba, Ontario, Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland & Labrador. Product Care also operates programs for household hazardous wastes in British Columbia, Manitoba and Ontario; lamps in British Columbia, Manitoba, Quebec and PEI; and alarms in British Columbia. See the Product Care website at <u>www.productcare.org</u> for more information.

2.0 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 where consumers can bring leftover Program Products. Collection sites include SARCAN's 72 depots, as well as various retail locations. The Program also offers the PaintShare Program, whereby better-quality paint collected at SARCAN depots is offered to the public for reuse at no charge. SARCAN, under contract, manages the collection and shipment of collected paint from its own depots to a processor for recycling. Product Care manages the collection and shipment of collected paint from retailers to a processor for recycling.

Additional program elements managed by Product Care include revenue management, communications and administration.



3.0 Collection System

Product Care does not directly own or manage any collection sites, but rather contracts with SARCAN to provide the collection services for leftover paint at its 72 depots across Saskatchewan. Product Care also contracts and partners with 15 retail locations throughout the province to provide additional collection sites. Product Care meets regularly with SARCAN to ensure smooth operations.

Consumers are able to drop off leftover paint at no charge at all collection sites throughout the province. Several SARCAN locations are also designated to accept large volumes of paint. Product Care also provides free pickup from very large generators of leftover paint and paint containers.

In addition to the established collection network, Product Care participated in 26 one-day collection events around the province in 2019, in partnership with municipalities and First Nations, as part of their Household Hazardous Waste Day events.

4.0 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 2019.

Table 1: Tubskids Collected in 2019

	Tubskids Collected	
Paint	2,389	
Aerosol	129	
Total	2,518	

4.2 Residual Volumes Collected

Residual volume refers to the volume of paint collected, including volumes reused through the PaintShare program.



Table 2 provides the estimated residual volumes of paint collected in 2019.



Table 2: Estimated Residual Volumes of Paint Collected in 2019

Paint Collected	Volume ^{1,2} (L)
Water-based paint	298,107
Oil-based paint	131,203
Total Collected	429,310

4.3 Recovery Rate

Recovery rate compares the volume of products collected by the Program during the year with the volume of products sold over the same period. In the context of Program Products, using recovery rate as an indicator of program performance should be treated with caution, as it is not necessarily an accurate measure of success for the following reasons:

- Paint is designed to be consumed, therefore it is arguable that a low recovery rate could indicate strong program performance, suggesting consumers are being efficient with the use of the consumable products they purchase. Indeed, Product Care actively promotes reduction by promoting campaigns highlighting the BUD rule: "Buy what you need, Use what you buy and Dispose of leftovers safely." This rule serves to reduce the amount of waste generated, which further drives down the recovery rate.
- The relationship between volumes of Program Products purchased and recycled is not linear. Program Products have a long shelf life and leftover product may be stored by the consumer for long periods of time with the intention of later use.
- The time span between the purchase of a product and the decision by a consumer that it is no longer needed varies considerably and is heavily dependent on consumer habits.

¹ Residual volume collected is estimated using rounded conversion rates of 92.4 litres/tubskid of water-based paint, 49.6 litres/tubskids of solvent-based paint and 57 litres/tubskid for aerosol paint.

² Volumes include PaintShare.



Table 3 sets out the volume of paint sold, paint collected and recovery rate for 2019.



Table 3: Recovery Rate for 2019

Recovery Rate	2019
Sales	5,365,000 L
Total Collected	429,310 L
Recovery Rate ^{3,4}	8.0%

5.0 Product Management

The Program employs a number of methods for managing recovered paint including reuse, recycling (both paint and containers), energy recovery, landfill, and incineration. These approaches are described in greater detail below.

5.1 Reuse (PaintShare Program)

Through the Program's PaintShare Program, higher quality leftover paint dropped off at SARCAN locations is made available for consumers to pick up and use free of charge. The PaintShare Program was offered through all 72 SARCAN depots in 2019. In 2019, approximately 82,724 litres of paint collected by the Program was reused by members of the public through the PaintShare Program, this consisted of approximately 77,297 litres of water-based paint and 5,427 litres of solvent-based paint. Volumes are estimated based on the assumption that the average paint container is 75% full. Aerosol paint is not included in the PaintShare program.

5.2 Recycling

In 2019, 181,244 litres of water-based paint were processed by the Program into new paint. The limited market for solvent-based paints and regulatory limits on VOCs made solvent-based paints difficult to recycle. Consequently, they were sent for energy recovery.

5.3 Energy Recovery

Solvent-based paint is often not suitable for recycling. In some cases, the paint may be in the form of skins or sludge, of an undesirable color, contaminated or of the wrong chemistry for paint recycling. In addition, Federal VOC Regulations require stringent limits on certain chemical constituents, which tend to be found in higher concentrations in older paints, making it difficult to recycle. Finally, the market for recycled solvent-based paint is significantly smaller than that for water-based products and demand continues to

³ Recovery rate includes volumes of paint reused through the PaintShare program.

⁴ Recovery rate is calculated by dividing the volume of residual paint collected by the volume of paint sold each year.



decline. Due to their high solvent content, these products are suitable for energy recovery as an alternative energy source in applications such as permitted incinerators.

In 2019, 125,424 litres of solvent-based (alkyd) paint and paint from aerosol containers was blended with other fuels and utilized as an alternative energy source in waste to energy applications, such as licensed / permitted incineration.

5.4 Incineration

In 2019, 615 litres of solvent-based paint exhibiting PCB contamination were incinerated at a permitted incinerator.

5.5 Landfill

The Program recovered 39,843 litres of water-based paint that could not be reused or recycled. This paint was solidified and sent to a permitted landfill.

5.6 Container Recycling

In 2019, 122.9 tonnes of metal paint cans were sent to scrap metal dealers for recycling. In addition, 14.1 tonnes of plastic paint containers were sent to plastics brokers for recycling. This represented 100% of all containers processed by the Program.

5.7 Summary of Volumes Processed by Processing Method

Table 4 below summarizes the various processing methods employed to manage program products and the volumes processed in 2019, as reported by the processors. Processed volumes do not necessarily align with volumes collected. Processed volumes may include Program Products received in the 2018 fiscal year, but processed in the 2019 fiscal year and may exclude volumes collected in the 2019 fiscal year that were not processed as of December 31, 2019.



Material Processing Method	Total
Reuse (PaintShare Program) Total	82,724 L
Water-Based Paint	77,297 L
Oil-Based (alkyd) Paint	5,427 L
Recycling	181,244 L
Energy Recovery	125,424 L
Incineration	615 L
Landfill	39,843 L
Total Litres Processed	429,850 L
Metal containers recycled	122.9 MT
Plastic containers recycled	14.1 MT
Total Tonnes Recycled	137 MT

6.0 Public Education and Communications

Product Care maintains a comprehensive communication program to raise awareness of the Program amongst Saskatchewan consumers, to encourage consumers to minimize leftover paint and to dispose of leftover paint safely and responsible at authorized depots. In 2019, Product Care implemented a number of different methods to raise consumer awareness of the Program, in accordance with regulatory requirements. The following section provides details regarding the Program's communication and public education activities in 2019.

6.1 Program Awareness

In November 2018, an online survey was conducted among adult Saskatchewan residents. The survey revealed that 73% of residents are aware that they can recycle household paint in the province. The next consumer awareness study will be conducted in 2020.

6.2 Website

In January 2019, the regeneration.ca website was replaced with the new Product Care website, producatcare.org. The new website reflects a refreshed, consolidated brand focused on an improved user



experience for consumers, industry and members. Similar to regeneration.ca, the Product Care site includes the following content for the Program:

- "Find a Recycling Location" tool (a searchable map displaying collection sites and drop-off events throughout the province)
- Collection site hours and operations
- Accepted and not accepted products
- Program member support section with news and updates
- Consumer videos showing the product management approach for paint
- Other information (e.g., a description of the PaintShare program, information about environmental handling fees (EHFs), frequently asked questions, information about buying and storing paint)

An estimated 527,307 unique visitors accessed ProductCare.org during the 2019 calendar year. The Saskatchewan section (including sub-sections for accepted products and fee information) received 3,108 total page views. In addition, there were a total of 15,456 unique visits to the "Find a recycling location" tool from consumers in Saskatchewan.

6.3 Program Hotline

Product Care continued to operate a toll-free "hotline" where consumers obtained information about the Program.

6.4 Television

Television commercials aired on Global TV from July to September 2019, resulting in approximately 5,085,000 impressions.

6.5 Print Advertising

A full-page inside cover print ad was featured in *CPCA Insight* Trade Publication (see Appendix 2). Seven thousand copies were distributed to industry members.

6.6 Events

The Program attended and/or had tradeshow booths at multiple events with the goal of educating businesses, municipalities and the general public about the importance of waste diversion and recycling, including:

- February 2 6: Saskatchewan Urban Municipalities Association (SUMA) convention.
- April 4: Association of Regional Waste Management Authorities of Saskatchewan (ARWMAS) AGM



- April 10 12: Saskatchewan Waste Reduction Council (SWRC) conference
- June 17: City of Saskatoon YXE Trash Talk
- October 25: ARWMAS conference.
- November 21: SWRC workshop

A representative for the program also presented about recycling programs at:

- April 1: meeting with Saskatchewan MLAs and Recycle SK member organizations
- July 17: First Nations Land Management Resource Centre Prairie Region, Solid Waste Management Workshop
- August 7 8: Saskatchewan Aboriginal Land Technicians workshop with other Recycle Saskatchewan member organizations
- August 21: SUMA member webinar

6.7 Digital Advertising

6.7.1 Google Search Advertising Campaign: January to December 2019

A search advertising campaign served paint ads to provincial residents based on an extensive list of keyword searches relevant to the Program. Saskatchewan's ads collectively generated 2,212 impressions.

6.7.2 Google Display Advertising Campaign: January to December 2019

A Saskatchewan-specific display advertising campaign served paint-related ads to provincial residents. Several iterations of the ads were run, collectively receiving 7.4 million impressions. Ads were specifically targeted to internet users who performed online searches related to paint purchasing, usage, and disposal in Saskatchewan. Secondary targeting focused on individuals searching for home improvement, moving house, and DIY-related terms, in order to reach a wider, but still relevant, population.

6.7.3 YouTube Video Advertising Campaign: June to September, 2019

During summer months, paint recycling and PaintShare explainer videos were run as pre-roll and skippable instream ads on YouTube. In Saskatchewan, these ads received a total of 246,053 impressions and 21,337 views.

6.7.4 Facebook Advertising Campaign

A Saskatchewan-specific campaign promoted the program targeting Saskatchewan residents on an ongoing basis. Ad campaigns were also run for collection events, specifically targeting the communities where the events were taking place. These campaigns collectively received 614,771 impressions.

6.7.5 Facebook Content Strategy

Saskatchewan-specific content focused on paint recycling, special waste and the recycling community in general.



6.7.6 Targeted blog posts

Blog posts were targeted at relevant audience members including, but not limited to, homeowners, female heads of households, and environmentally-inclined individuals in Saskatchewan. Topics included specific information on paint recycling, "do it yourself" ("DIY") content, renovation tips, and sustainability best practices. All posts included a call-to-action to find a collection site or interact with the brand on social media. Collectively, these posts received 45,568 views.

See Appendix 3 for examples of digital advertising activities.

6.8 Point of Sale (PoS) and Point of Return (PoR) Materials

In 2019, Product Care distributed both PoS and PoR materials as requested by retailers and collection sites. The following materials are available for reorder through the online order form:

- General paint program awareness posters
- Return to Retail (R2R) and Return to Product Care posters

7.0 Financial Information

A summary of the Program's financials for 2019 is provided in Table 5. The financials detail the total amount of recycling fees collected to fund the program and the amount spent to operate the program and communications and administration costs.

Table 5: Financial Summary 2019

2019 Revenue and Expenses	\$'000
Total PaintRecycle Revenue	1,108
Program Operations	779
Program Administration	80
Education, Public Awareness & Communications	60
Total Operating Expenses	920 ⁵
Surplus / Deficit	188
Cumulative Surplus (Reserve)	1,002

Any surplus in revenue is retained as a reserve to cover any deficits in future years, subject to Product Care's Reserve Policy. The Program Plan stipulates that surplus funds will be used only for Program costs and may not

⁵ Discrepancies in totals are due to rounding.



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.

The Program is funded by environmental handling fees (EHFs) paid by Product Care's members on the sale of each unit of Program Product into the Province. The Program's environmental handling fees (EHF) for each product category are set out in Table 6.

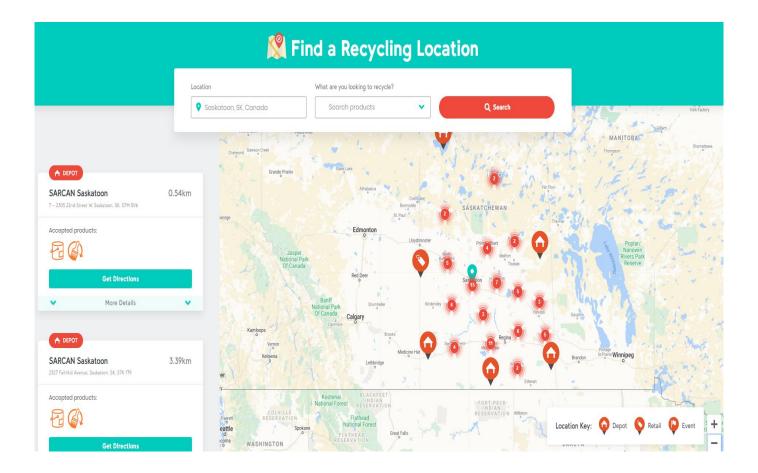
Table 6: Current Environmental Handling Fees

Container Size	Current Fee
100 ml to 250 ml	\$0.20
251 ml to 1 litre	\$0.35
1.01 litres to 5 litres	\$0.75
5.01 litres to 23 litres	\$1.95
Aerosol Paint (any size)	\$0.25



Appendix 1 – Collection Site Locator

Below is a snapshot of the "Find a Recycling Location" tool found at productcare.org.





Appendix 2 – CPCA Insight Print Advertisement

This CPCA ad was featured in CAPCA Insight Trade Publication along with an article focused on Product Care paint programs.

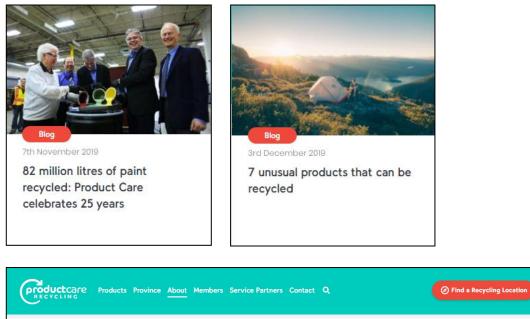




Appendix 3 – Digital advertising activities

Examples of digital advertising employed by Product Care in 2019 across multiple platforms are shown below.

Website Blog posts



It all began with paint recycling

In 1994, British Columbia became the first province to implement an <u>Extended Producer Responsibility</u> (EPR) regulation for architectural (household) paint. This waste management regulation required paint producers to create a network of drop-off locations for people to bring their leftover paint. Once collected, the paint was then recycled. The industry soon realised a collective approach was the best solution, and not-for-profit organization "BC PaintCare" (now Product Care) was born.





0

Google Search Ad

Recycle Your Leftover Paint | Find a Recycling Location Ad www.productcare.org/

Keep paint out of landfills - recycle it! Find your nearest recycling location here. Saskatchewan's paint recycling program is managed by Product Care Recycling.

Google and TWN Display Ads







YouTube Video Ad

ſ	The second second			
	de la	Case Receipt Location		
productca	e.org/products/pa	nt/b	kip Ad ⊨ 00:27	

Social Media Assets – Product Care 25th Anniversary Paint Program





Sample Facebook Ads



Product Care Recycling ... Sponsored - @

Recycle your leftover paint at locations across Saskatchewan. Paint can be turned into new paint, or recovered for energy.See More



Sample Facebook Post



Product Care Recycling August 23, 2019 · 🚱 ...

C Responsible recycling tip: Paint aerosols don't belong in the trash! Recycle them for free at a Product Care Recycling location.

Find one at www.productcare.org/recycling-locator/





Appendix 4 – PoS and PoR Materials

Examples of PoS and PoR materials circulated in 2019 are shown below.

PoR/PoS Posters





