thank you for joining! the webinar will begin shortly.

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Advanced Paint Stewardship

December 10, 2018
Product Stewardship Institute

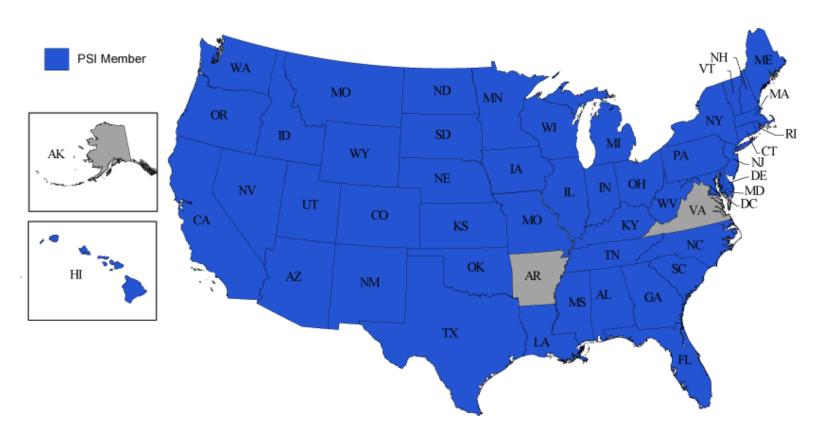








Product Stewardship Institute?





product categories



paint



solar panels



packaging



electronics



pharmaceuticals



HHW



thermostats



fluorescent lamps



textiles



mattresses



phone books



batteries



product categories



used motor oil



tires



framework



gas cylinders



carpet



radioactive devices



pesticides



auto switches



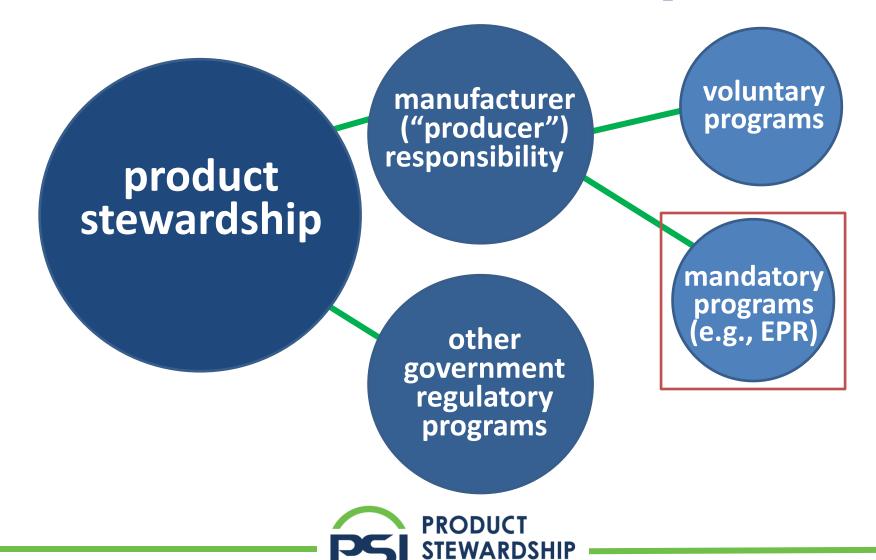
medical sharps



appliances with refrigerants



product stewardship vs. EPR



NSTITUTE

u.s. state and local epr laws (partial list)

3 5 9 11 13 15 24 28

**Transport of the second of the sec

116* EPR laws

*while bottle bills are highly effective at recovering beverage containers, this count does not include the 10 state bottle bills in the U.S. due to the different ways in which the disparate policies shift responsibility to producers.



paint stewardship: first steps

- research and reports (2002, 2003)
- national dialogue (since 2003)
- 1st MOU (April 2005) 4 meetings/9 months
 - √ 8 projects (\$2M public, private funding)
- 2nd MOU (October 2007)
 - ✓ detailed work plan, elements of legislation



key questions

what are the major legislative and regulatory challenges and lessons learned?

how is success measured?

how is collected paint managed?

what are some operational best practices?

what's on the horizon for the program?



please welcome today's panelists



Kristin Aldred
Cheek, PhD
Senior Associate for
Policy and Programs
Product Stewardship
Institute



Heidi McAuliffe
Vice President
American Coatings
Association



Marjaneh
Zarrehparvar
Executive Director
PaintCare



Fred Gabriel
Director of
Operations
PaintCare



Brett Rodgers
Director of
Communications
PaintCare



today's moderator:



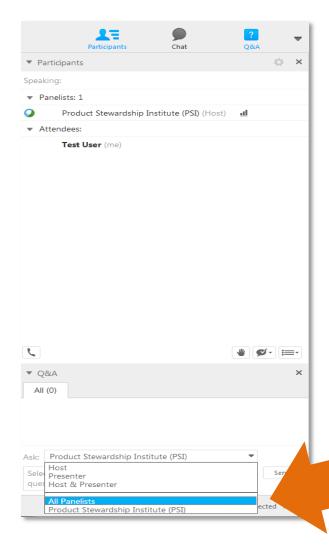
Scott Cassel
Chief Executive Officer and Founder
Product Stewardship Institute
United States



webinar logistics!

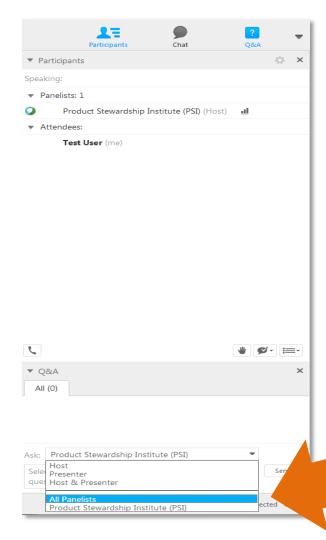






how to ask technical questions (e.g., "how do I...?")





how to ask content-related questions

questions (e.g., "what does the speaker mean by...?")



please welcome our 1st speaker:



Kristin Aldred Cheek, PhD
Senior Associate for Policy
and Programs
Product Stewardship Institute















paint stewardship program evaluations & studies

2012: Oregon evaluation

HHW programs, retailers, & contractors

2014: HHW program evaluation

California, Connecticut, Oregon, Rhode Island, & Vermont

2015: California evaluation

HHW programs, retailers, & contractors

2016: Connecticut evaluation

HHW programs, retailers, contractors, transfer station drop-off sites, large-volume pickup users)

2018: Minnesota latex recovery and end-use study (drafted) collected paint composition; emerging innovations for leftover paint

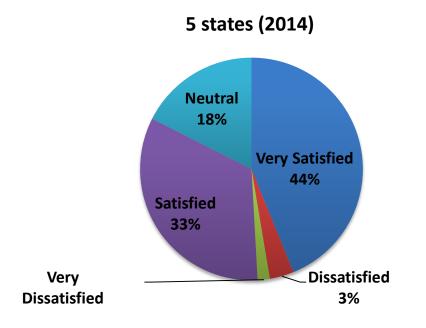
2018: Colorado evaluation (underway)

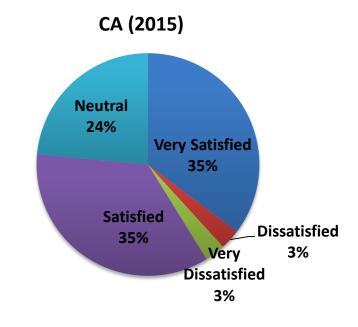
HHW programs, participating retailers, contractors, large-volume pickup users, non-participating retailers

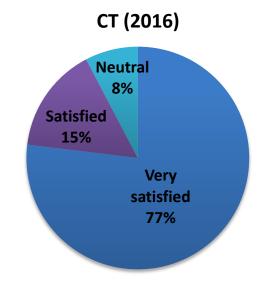


survey findings hhw programs

program satisfaction









survey findings hhw programs

paint & non-paint volumes

5 states: 47% increase in paint volumes; 18% decrease

5 states: **54% no change in non-paint HHW** volumes; 36% increase

cost savings

CA: Average cost savings of \$169,285 per year (varies by population size – larger communities saved more, smaller saved less)



survey findings retail drop-off sites

program satisfaction

CA: 85% satisfied or very satisfied. 88% would recommend other retailers participate

CT: 80% satisfied or very satisfied. 80% would recommend other retailers participate

ease of participation

CA: 88% found it easy or very easy

CT: 78% found it easy or very easy

benefits

CA: 53% experienced increased foot traffic. 44% indicated customer loyalty increased

CT: 54% experienced increased foot traffic. 30% indicated customer loyalty increased



survey findings contractors

program satisfaction

CA: 60% satisfied or very satisfied.

CT: **56% satisfied or very satisfied.** 69% satisfaction among those that used the program

use of PaintCare

CA: **68% had used the PaintCare program** for excess paint CT: **81% had used the PaintCare program** for excess paint

response to fees

CA: 43% use the program but think fees are still too high; 31% use the program and think they are fair

CT: **50% found the fee to be fair or very fair** (31% neutral, 13% unfair, 6% very unfair). Among those that had used the program: 61% fair or very fair, 31% neutral, 8% unfair)



transfer station drop-off sites (CT only)

program satisfaction

100% satisfied or very satisfied. 96% would recommend that transfer stations in other states volunteer to be PaintCare drop-off sites

96% indicated that residents are satisfied or very satisfied

ease of participation

88% found it easy or very easy for staff

96% found it easy or very easy for residents



thank you!



Kristin Aldred Cheek, PhD
Senior Associate for Policy
and Programs
Product Stewardship Institute



Program Challenges and Lessons Learned

Presentation Overview

- Legislative Efforts Heidi McAuliffe
- Program Launch and Maintenance Marjaneh Zarrehparvar
- Paint Management Fred Gabriel
- Outreach and Education Brett Rodgers



please welcome our 2nd speaker:



Heidi McAuliffe
Vice President
American Coatings
Association



American Coatings Association



- Premier trade association representing manufacturers of paint and coatings for architectural, industrial maintenance, original equipment manufacturer, and specialty coatings and raw material suppliers
- Advocacy on legislative, regulatory and judicial issues impacting the industry
- IRS designation: Non-profit 501(c)(6) organization
 - Works on behalf of membership

Industry Stewardship – Fulfilling the Agreement



Agreement

To develop a nationally coordinated system for the management of postconsumer paint

Key Elements

- Industry operated product stewardship organization (PSO)
- Cost effective
- Market-based financing
- Consumer education
- No mandatory retail take-back
- Legislation needed for level-playing field and anti-trust protection
- Begin w/pilot state

Model Paint Stewardship Legislation



Provides for level-playing field with sustainable financing and consistency across states (nationally coordinated approach)

Implementation Dates

2010: Oregon

2012: California

2013: Connecticut

2014: Rhode Island

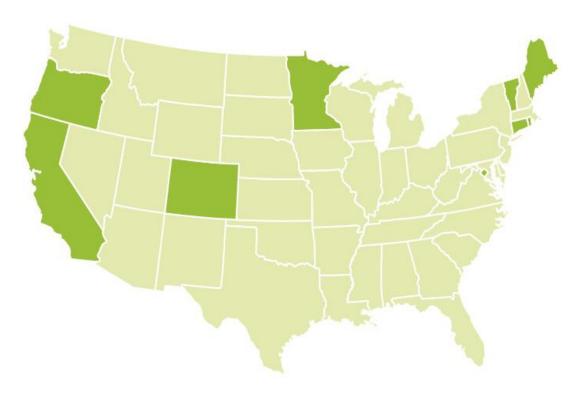
Vermont

Minnesota

2015: Maine

Colorado

2016: District of Columbia



Legislative Efforts – Challenges and Obstacles





New Programs

- Paint fee opposition
- Retail Industry Association
- Need for legislation
- Cross-border issues
- Perception that industry benefits financially

Legislative Challenges





Existing Programs

- Need for reserve
- Balanced fee schedule
- Mission creep
 - Aerosols
 - Market for recycled-content paint
- Cross-border issues

Action Plan to Initiate a New Program



- 1. Collect data on existing paint waste management
- 2. Identify all interested parties
- 3. Begin outreach and education at HHW/municipal level
- 4. Evaluate regulatory infrastructure for obstacles
- 5. Outreach to Oversight Agency and Environment Committee legislators

thank you!



Heidi McAuliffe
Vice President
American Coatings
Association



please welcome our 3rd speaker:



Marjaneh Zarrehparvar
Executive Director
PaintCare



PaintCare Inc.



- Established in 2009 when the first paint stewardship law passed in Oregon
- Created by the American Coatings Association to implement paint management programs in states that pass paint stewardship laws
- Represent all paint manufacturers
- Governed by board of architectural paint manufacturers
- O IRS designation: Non-profit 501(c)(3) organization

Challenges in Program Implementation



On-going challenges

- Identifying and educating program partners
- Recruiting and retaining drop-off sites
- Setting the correct budget and fee structure

Past challenges

- Collection site contracts after 9 programs, we've worked through most of the challenging topics and contract language (e.g., insurance and liability)
- Annual report content worked with PSI and 6 of 9 programs to develop a model/template report (use it in 7 of 9 programs)

Program Partners



- Oversight agencies (and divisions within them)
- Manufacturers selling paint into the state
- Municipal household hazardous waste programs
- Stewardship councils or other entities and NGOs with a stake in the program (usually represent HHW programs)
- Paint retailers and organizations
- Other potential drop-off sites: transfer stations, recycling facilities, and landfills – public and private
- Network of painting contractors and their state or local associations
- Paint haulers and recyclers/processors
- Advertising agencies

Once we have identified program partners...

- Notify them of their obligations under the program
 - Manufacturers have to register with PaintCare and add fees to their products
 - Retailer have to pass the fee to consumers and provide point-ofsale materials (mandatory in some states)
- Invite them to participate in the program
 - Cost savings for HHW programs and painting contractors
 - Serve as drop-off site (retailers, transfers stations, etc.)
- Solicit services
 - Paint transportation and recycling/processing
 - Advertising and PR

Recruiting and Retaining Retail Drop-Off Sites

- Partner with about 1400 paint retail stores (33% of paint retailers)
- Every store is trained on collection site procedures by PaintCare field staff (and receive a training binder)
- Every store is visited at least two times per year by PaintCare staff to check on operations, restock POS materials, etc.
- Face-to-face contact and personal relationships with store staff are key to building trust and loyalty







Program Budget and PaintCare Fees



- The program is funded through a fee on new paint sales
- Fees differ by state and container size, and currently range from \$0.35 -\$1.99
- Getting the budget and fee amount correct is critical!
 - If too low, the program will have a deficit
 - If too high, the reserves will be larger than needed (and stakeholders will lose trust)
- To set a budget and appropriate fee structure, assumptions are made about:
 - Annual paint sales to determine potential revenue
 - The number and location of drop-off sites
 - The volume of paint that will be collected

thank you!



Marjaneh Zarrehparvar
Executive Director
PaintCare



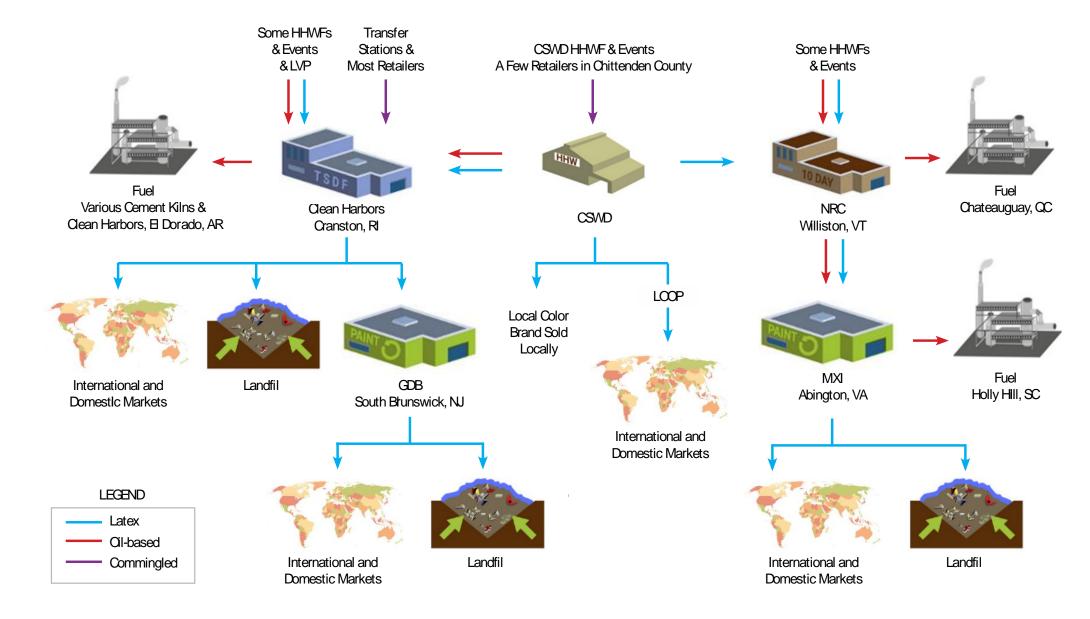
please welcome our 4th speaker:



Fred Gabriel
Director of Operations
PaintCare



Managing Collected Paint



Upgrades to Operations



Drawing from best practices across all Programs

- Continuously improving on experience with PaintCare for participating sites
- Continuously improving the flow of information between vendors, PaintCare, sites, and stakeholders in all directions
- Continuously driving down operational costs

Evolution of Paint Collection, Hauling, and Processing



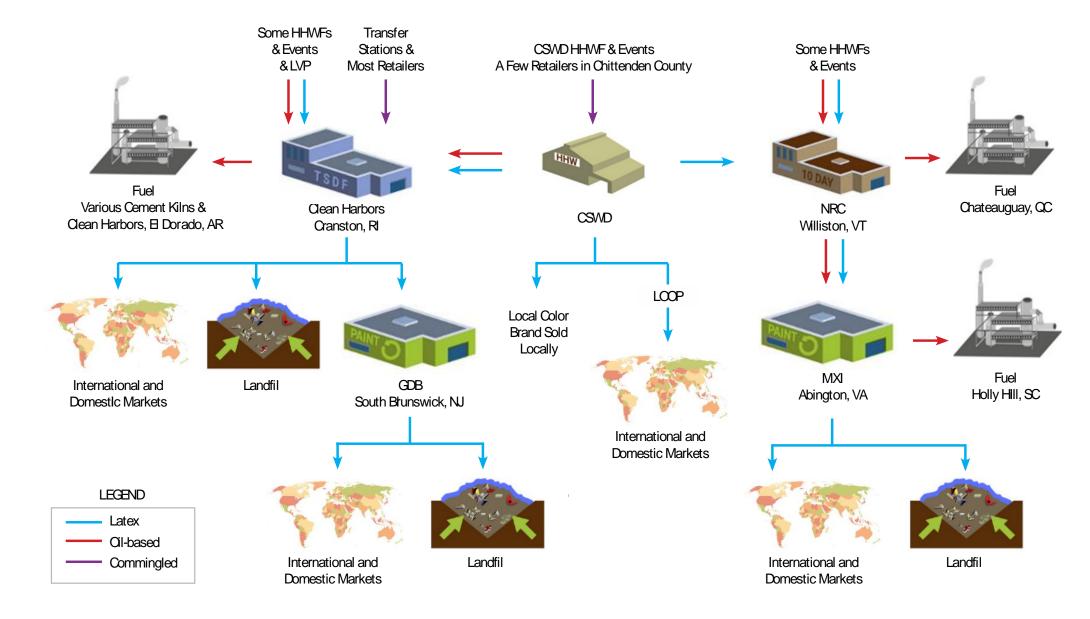
- \$44M aggregated spending for collection, transportation, and processing during the last reporting cycle
- 92M aggregated pounds processed during the last reporting cycle (80% latex:20% obp)
- Starting to see processors cross over into the transportation space
- Starting to see service providers cross over into the processing space
- Future strategic partnerships/joint ventures, more entities providing turnkey solutions

Transportation and Processing RFP



- Currently re-designing our RFP to take advantage of lessons learned and to update some of the terms and conditions
- Hope to take advantage of the increase in interest in our program and expanding capabilities from within the service industry
- Plan to start releasing new RFPs in 2019

Managing Collected Paint

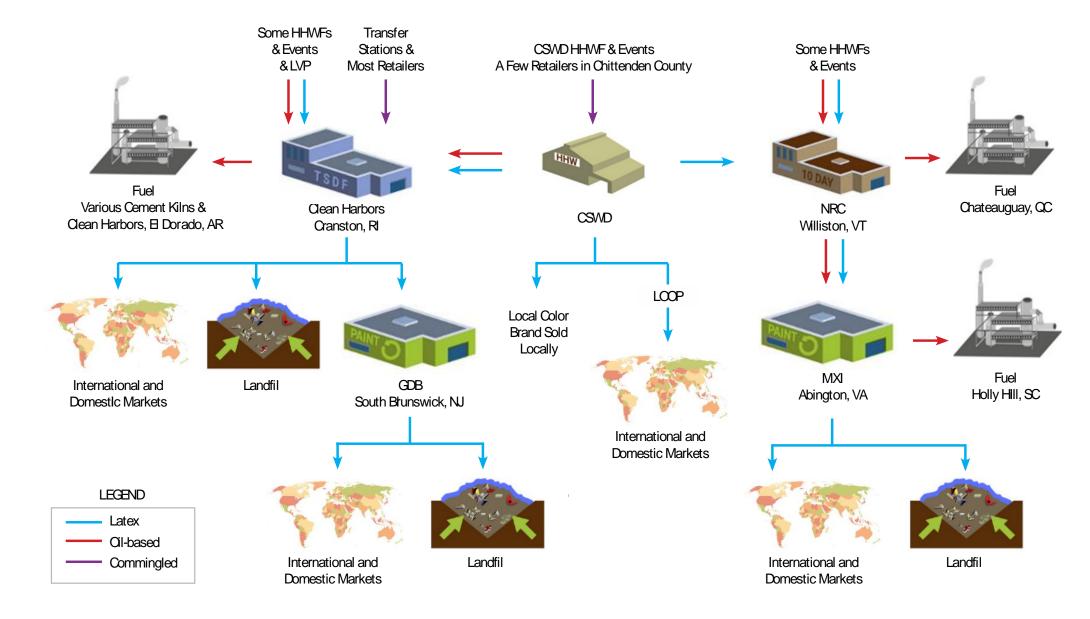


Audit Program



- Implementing in 2019
- Formal Audit Program
 - Auditing transporters
 - Third-party facility reviews of all latex paint recyclers and oil-based paint processors
 - In-house review of material flow and data tracking at all processing facilities

Managing Collected Paint



Grant Competition



- Three separate grants
 - \$100K each from the CA, CO, and CT programs
 - Cost reimbursement model
- Competitive bid process
 - Grantees cannot win more than one of the grants
- Written to include a broad audience of individuals or entities
- Panel of 5 judges scoring proposals individually and independently
 - 2 from ACA, 2 at-large, 1 from within state

Grant Competition



- Focus is on fraction of latex paint not being recycled today
- Focus is on assisting an existing technology to move towards commercialization
- Competition documents will be released on December 14,
 2018
- Grant period scheduled to begin June 2019

thank you!



Fred Gabriel
Director of Operations
PaintCare



please welcome our 5th speaker:



Brett Rodgers
Director of Communications
PaintCare



Outreach and Education

- Point-of sale materials
- Newspaper and other print ads
- Television and radio
- Digital and social media
- Site locator on website
- Billboards, out-of-home
- Contractors ProShows, public events
- Conferences
- Joint outreach



Phased Approach

PRIOR TO LAUNCH

Notifications to retailers by mail

AT LAUNCH

- Begin fulfillment of point-of-sale materials
- Initial round of PR and general advertising

AFTER LAUNCH

- Ongoing POS fulfillment
- State-wide media coverage
- Multi-channel outreach: print, digital & social, radio, TV & video, direct mail, etc.



Message Platform



PROGRAM REQUIREMENTS >> MESSAGES

- Source Reduction = Buy Right
- Reuse = Use It Up, Give It Away
- End of Life Options = Recycle the Rest

+Evaluation = Consumer Awareness Survey

Point-of-Sale Materials







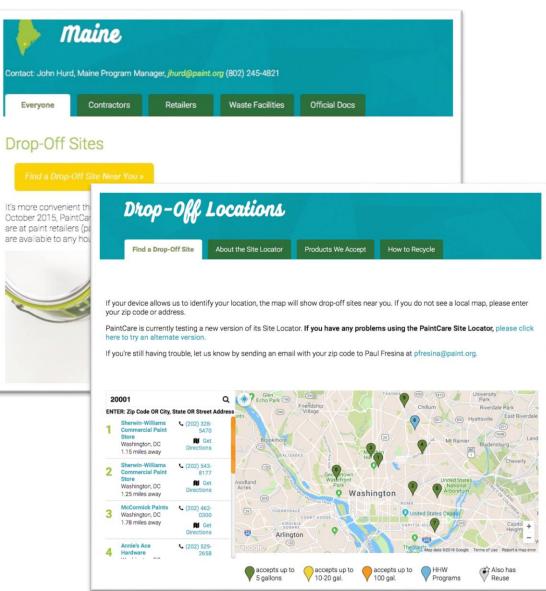


- Must have original labels - Must have secure lids



PaintCare.org





Advertising

Print



Digital



Video for Online/TV







Outreach Team + Agency Support

IN-HOUSE

- Director of Communications
- Project Management
- Graphic Design
- Digital Marketing
- Corporate/Retail Relations
- Webmaster

AGENCIES

CT, DC, ME, MN, RI, VT, DC Chief (DC)

CA, CO, OR
Civilian (San Diego)

thank you!



Brett Rodgers

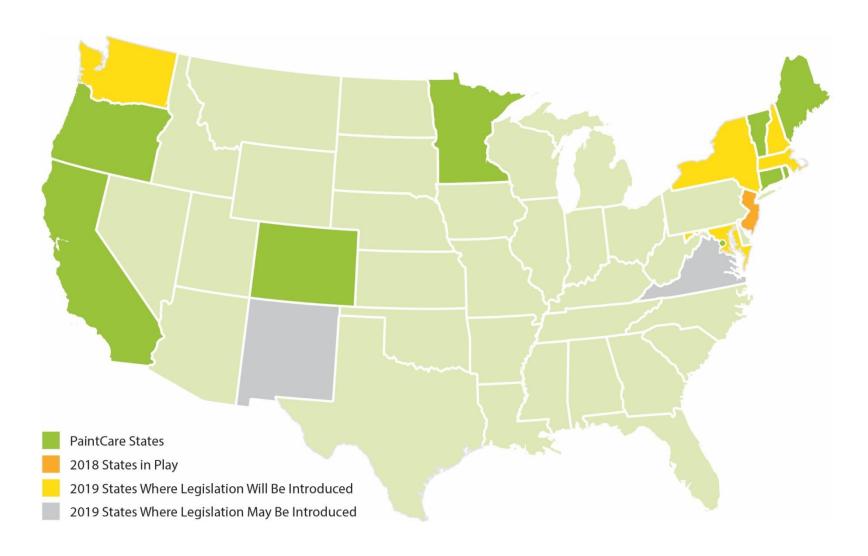
Director of Communications

PaintCare



Next States

- New Jersey
- New York
- Maryland
- Massachusetts
- Washington
- Virginia
- New Hampshire
- O New Mexico



More Information at PaintCare.org

- Contact information
- Program plans
- Annual reports
- Site locator

- Tips to buy right and use paint up
- Request large volume pick-up
- Review and order outreach materials
- Spanish translation



questions or comments?





thank you!



Kristin Aldred
Cheek, PhD
Senior Associate for
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Institute



Heidi McAuliffe
Vice President
American Coatings
Association



Marjaneh
Zarrehparvar
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PaintCare



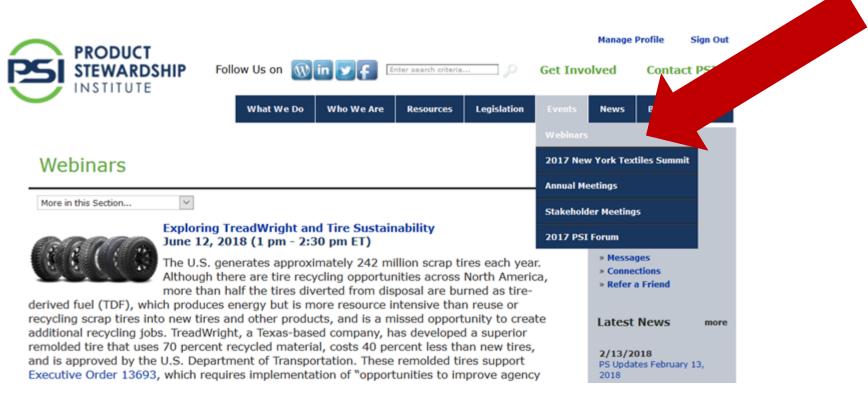
Fred Gabriel
Director of
Operations
PaintCare



Brett Rodgers
Director of
Communications
PaintCare



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Paint Stewardship 101







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