Canadian Paint and Coatings Association

Association canadienne de l'industrie de la peinture et du revêtement

CPCA INSIGHT

GUIDE AND DIRECTORY **2016**

THE CANADIAN PAINT AND COATINGS INDUSTRY

VOICE, VISION AND VALUE

CPCA INSIGHT

2016 GUIDE AND DIRECTORY

FEATURE ARTICLES

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170 Laurier Avenue West
Suite 608
Ottawa, ON K1P 5V5

T: (613) 231-3604
F: (613) 231-4908
E: cpca@canpaint.com
www.canpaint.com

GRIFFINTOWN MEDIA INC.
5548 Saint-Patrick
On the Lachine Canal
Montreal, QC H4E 1A9
T: (514) 934-2474
F: (888) 459-7815
E: info@griffintown.com
www.griffintown.com

CONTENT / EDITING Gary LeRoux, Lysane Lavoie, Zoë Koulouris
DESIGN / PRODUCTION Judy Coffin
AD SALES Katrysha Gellis
TRANSLATION Isabelle Delage
PROOFREADING Micheline Foucher, Judy Yelon

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ABOUT **CPCA**

MISSION
To provide value for members by collaborating with governments and industry stakeholders in the best interests of the public, the environment and a sustainable industry.

VISION
CPCA is the voice of the paint and coatings industry in Canada and recognized nationally and internationally for its leadership in responsible corporate stewardship and sustainability.

VALUES
- Integrity and accountability related to all advocacy efforts
- Sound scientific research and a fact-based approach on sustainability matters
- Collaboration instead of confrontation for consultations on behalf of members
- Responsiveness to the needs of the membership to ensure inclusion of all
- Adherence to anti-trust policies to safeguard members' proprietary information
- Development of partnerships to advance issues on behalf of members

TO PROTECT AND PRESERVE WHAT MATTERS MOST

Founded in 1913, the Canadian Paint and Coatings Association (CPCA) steadfastly represents Canada's leading paint and coatings manufacturers and their industry suppliers in the primary product categories of architectural paints, industrial finishes and automotive coatings. Canada is home to more than 250 paint manufacturing facilities generating more than $10 billion in retail sales annually and employing more than 32,000 people.

CPCA works hard to help industry succeed in an increasingly competitive and highly regulated market. Its work focuses on paint and coatings including adhesives and sealants issues that impact key industry segments: auto parts, automotive refinish, coil, decorative, general industrial and original equipment manufacturers (OEM), marine, packaging/container, commercial transportation, machinery, and wood.

The association plays a critical role in representing the industry, bringing people and organizations together to wield collective influence, guide policy and raise the bar on individual and organizational performance. It also provides the camaraderie that makes professional and commercial pursuits an effective endeavour for the entire industry. CPCA seeks to add value to member services in new ways: relevant and flexible outsourcing that ensures value for money; new and more timely communication channels; use of customer relationship management systems to replace the old way of engagement; improved data collection, dissemination and management of resources; and greater insight on industry developments, especially related to sustainable and innovative initiatives. CPCA focuses on strategy and knowledge management that supports members' needs regarding market trends, statistical coatings segment analyses, public policy and regulatory implications, human resources challenges, and sustainability and stewardship developments.

The paint and coatings industry consistently targets measures that serve to protect the health and safety of workers, the public and the environment. These fundamental principles underpin everything it does. Sustainability has always been a high priority for the coatings industry—dating back to the adoption of best practices under Coatings Care®. This is evidenced in the industry voluntarily reducing VOCs in 70 per cent of its products before regulations were introduced in 2009. Since then, VOCs in latex paint have almost been eliminated in Canada, with waterborne products representing 90 per cent of the market. This is also evident in the leftover consumer paint programs now active in every province of Canada, which are fully funded by industry. Last year, these programs recovered one kilogram of paint for every Canadian, representing more than 36 million kilograms overall. This focus on sustainability is reflected in CPCA's ongoing efforts to ensure the appropriate assessment of chemicals of concern identified by the federal government under its Chemicals Management Plan. The end result is properly regulated chemicals that benefit human health and the environment, while still retaining important performance characteristics demanded by customers.

MESSAGE FROM THE **CHAIR**

FOCUSED ON WHAT MATTERS

CPCA renewed its three-year strategic plan in 2015. The board was pleased that the key priorities of the previous plan were successfully completed. There is of course some continuity in the new strategic plan, which we believe reflects the true priorities of the paint and coatings industry in Canada. The first among those priorities is ensuring we get out ahead of—and stay ahead of—the massive amount of regulations that is the new normal in our industry under the federal Chemicals Management Plan (CMP). We learned a great deal in phases 1 and 2 of the CMP, which will help as we move ahead on Phase 3. As we know in industry, it is essential for those in the chemical industry to be fully compliant with regulations with respect to chemicals of concern, and that continues to be a central focus. One of the association's primary goals throughout the assessment of chemicals is to ensure data gathering is based on sound science. And, once that is assured, we seek to ensure full regulatory compliance. Governments have told us that they appreciate the work the association does on both fronts.

The board approved a new sustainability policy for the association in 2015. It reflects where many of our members are on sustainability generally and product stewardship specifically in the case of post-consumer paint. Our members have stepped up to the plate over many years and took on the responsibility for leftover paint, dating back 20 years ago with the first program in British Columbia under Product Care. Since that time all provinces have introduced stewardship programs, with more than 36 million kilograms of leftover paint returned in 2015 for recycling. That is one kilogram for every Canadian. Often overlooked is the fact that this "cradle-to-cradle" approach by industry, as mandated by governments, is 100 per cent funded by the manufacturers—our members.

Program operators for post-consumer paint, namely Product Care, Éco-Peinture and Alberta Recycling Management Authority, continue to do an excellent job for industry. CPCA always looks for ways and means to harmonize stewardship programs across Canada and consults regularly with provincial governments on changes to regulations. With respect to stewardship, another strategic priority for CPCA is to work with members, program operators and key stakeholders to develop new markets and better ways to manage and recover value from post-consumer paint. This year, CPCA will be working on a project to move this initiative forward.

Another critical component of the strategic plan is the continuous work we do in conjunction with our sister association, the American Coatings Association, on regulatory alignment between Canada and the United States. The association committed substantial time and effort to new regulations for hazard communications, namely the changes to the *Globally Harmonized System for the Labelling of Chemicals in the Workplace*. This new system requires the first major "safety data system" change for the coatings industry since the inception of MSDS, more than 30 years ago. Staffs of both CPCA and ACA, along with the input of many members, have committed resources to ensure we get this right. Both countries are now proceeding with the final implementation and transition to the new system. CPCA will take every measure to ensure our members have what they need to be in full compliance on new GHS regulations and other important regulatory matters.

Finally, CPCA continues to look at ways to ensure value-added programs and services for members. As such, new programs will be launched in 2016 that focus on areas of importance for members. In addition to sustainability, these will include human resources and skills development, corporate social responsibility, and research and innovation. In many ways these initiatives will support the impressive efforts of our members and help showcase the excellent work they already do.

Once again, I would like to thank the board for their ongoing support and advice throughout the year as we seek to uphold the long-standing tradition of doing what is best for a prosperous and sustainable industry in Canada. I know the board would want me to thank the staff for their ongoing commitment to industry's key priorities and the many members, through the various committees, who give their valuable time to help achieve our strategic priorities.

TIM VOGEL
Cloverdale Paint Inc.
Chair

MESSAGE FROM THE **PRESIDENT**

Canadian Paint and Coatings Association

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170 Laurier Avenue W.,
Suite 608
Ottawa, CANADA
K1P 5V5

T: (613) 231-3604
F: (613) 231-4908
E: cpca@canpaint.com
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GETTING THE JOB DONE

CPCA had another busy year in 2015. First and foremost, the association's three-year strategic plan came to a successful end in 2014, as it fully achieved the key objectives laid out three years ago by the board. To help inform the new strategic planning process, CPCA conducted a comprehensive survey of members in early 2015 with excellent feedback. The board then updated and approved the three-year strategic plan in the first quarter. We are well on our way to executing on these key priorities via our operational plan.

The first edition of *CPCA Insight: Guide & Directory* was launched in 2015 and well received by members and stakeholders alike. It is a multi-faceted document that seeks to enhance the overall awareness and importance of the coatings sector in Canada. At the same time, it supports the ongoing, substantial advocacy efforts of the association. We continued enhancing our communications effort throughout the year on several fronts. We also continue to place great importance on the need for effective communications on all platforms, including social media, with robust and regular publications for members, key stakeholders and the general public.

CPCA was instrumental in replacing the program operator for post-consumer paint in Ontario in 2014 on the direction of the board. Product Care did an excellent job last year in transitioning the program operations from the previous operator, which will produce dividends for coatings manufacturers in the largest market in Canada for years to come. It will also facilitate critical work on post-consumer paint recovery in Canada's largest province and provide more cost-effective services to CPCA members and non-members. The association continues to focus on stewardship programs across the country as three provinces are moving forward with amendments to stewardship legislation, most notably Ontario with the announcement of a new *Resource Recovery and Circular Economy Act*. Alberta and Nova Scotia are also considering changes. The Canadian Council of Ministers on the Environment is also looking at ways to further improve waste management in Canada.

CPCA continued its collaborative work with the federal government on Canada's Chemical Management Plan (CMP), as we moved through the final stages of Phase 2 of the CMP. A tremendous effort is required by industry to ensure substances are subject to the proper risk assessments based on evidence-based data collection. CPCA members have done yeoman's work to help ensure vital substances can still be used in a wide range of product formulations, while at the same time ensuring the health and safety of the consumer and protection of the environment.

The federal government is now entering Phase 3 of the CMP, which will assess 1,550 chemicals in commerce in Canada. The official launch of CMP-3 is expected to occur in the second quarter of 2016. Preliminary documents detailing some of the groupings for 1,550 substances—over the period 2016-2020—were reviewed in detail by CPCA's Paint and Coatings Working Group. CPCA is now seeking further feedback on the recent CMP-3 action plan for the benefit of members and some of the anticipated technical issues from the proposed schedule and timeline.

GARY LEROUX
President & CEO
gleroux@canpaint.com

CPCA committees have been involved in extensive industry-wide meetings with government via various stakeholder workshops leading up to the CMP-3 launch. It should be noted that paint and coatings, including adhesives and sealants, rank among the highest known uses with respect to substances identified for assessment in CMP-3. In some cases these two sectors rank first or second. However, we have been very active on the substances specifically implicated in the paint and coatings industry. CPCA has been fortunate in being able to have an "early warning" of what is to come in CMP-3 via our unique sectoral working group for paint and coatings. This group has proven to be most effective in ensuring our industry stays ahead of the curve on regulatory development coming down the pipe. It is comprised of industry and government representatives who formally meet twice a year and interface extensively throughout the year on risk assessments for designated chemicals of concern. In fact, this platform has been so successful that the federal government has been promoting the engagement of similar sectoral groups for other industries in CMP-3.

In 2015, we continued pressing hard on critical changes to the new *Globally Harmonized System for Chemicals in the Workplace* (GHS). CPCA presented strong rationale as to why early adoption of GHS was important for our members in 2014 and again in 2015, given that GHS labels were already in use by some companies in the United States. Although the federal government provided guidance documents on the sticky issue of ingredient concentration ranges and confidential business information (CBI) claims in Canada, industry still required greater clarity to help ensure full compliance. CPCA worked closely with government officials to further clarify the outstanding requirements on concentration ranges and CBI. A more specific and comprehensive clarification, validated by Health Canada, was provided to members thereby ensuring companies manufacturing in or shipping to Canada are in full compliance.

There are many more regulatory actions on which CPCA must remain vigilant on behalf of members as they rely on literally thousands of chemicals in commerce to sustain a successful coatings industry. The association regularly and consistently advocates for appropriate regulations at all levels of government, in one of the most highly regulated sectors of the economy.

We believe we have a strong and united voice in the industry, one that ensures our advocacy efforts resonate with governments, stakeholders and the public in general. Our members' continued support of CPCA's work is greatly appreciated and necessary to effectively advocate on behalf of the coatings industry. Without their support the industry would be in a less desirable place than it is today.

GARY LEROUX
President & CEO

HISTORICAL HIGHLIGHTS

1913
Canadian Paint, Oil and Varnish Association - Convened in Montreal on February 21, 1913

1950
Canadian Paint, Varnish and Lacquer Association - Officially recognized as the link to governments

1966
Canadian Paint Manufacturers Association - Added a French equivalent reflecting biculturalism

1980
Canadian Paint and Coatings Association - Is a critical link between industry and government

THE **CANADIAN PAINT INDUSTRY** IN 2015

Canada is well positioned in the coatings market with one of the highest standards of living in the world, placing the country among the leaders in per capita coatings consumption rates. Canada's industrial output remains relatively high as a percentage of GDP and civil construction is forecasted to outpace that of the United States in the near term. Automotive production is relatively stable and should remain so for the foreseeable future. Management consultants Orr & Boss have recognized Canada's paint and coatings sector as a "mature, slow growing industry." This means it is stable when compared with other countries but shares some of the same challenges, including strict environmental regulations and increased demands for product stewardship and sustainability.

The national economy was somewhat flat in 2015, although overall it has remained relatively stable in recent years compared with other Western nations. According to an Industry Canada report, Canadian industries that are highly sensitive to the exchange rate shrank in 2015. A significant drop in the number of manufacturing establishments, meanwhile, points to a permanent loss in manufacturing capacity. Manufacturers continue to under invest in their stock of machinery and equipment, threatening Canada's future productivity growth. These developments had some impact on the paint and coatings manufacturing sector last year. Canada will likely experience modest momentum in 2016 with 1.7 per cent growth in GDP, especially in certain industries and regions like British Columbia and Ontario. Some industrial sectors, such as wood manufacturing, where the demand for Canadian products is closely tied to residential construction in the United States, will be driven by the continued recovery in the U.S. housing market.

Similarly, the motor vehicle manufacturing industry in Canada showed a strong financial performance in 2015 thanks to record sales in North America and the benefits of a declining dollar. Although auto assembly investments in Canadian plants are trending upward, production is not expected to increase in 2016 and 2017, but may decrease slightly due to shifts in production to the U.S. and Mexico, while Canadian new vehicle sales have also plateaued. The Canadian industry will struggle to maintain production capacity going forward. With no new models coming to Canadian assembly lines, the local automotive manufacturing parts market will weaken slightly. Therefore, automotive paint manufacturing shipments in these sectors could follow similar trends.

Residential renovation investment was relatively robust in 2015. While renovation/remodelling activity is expected to remain strong in 2016, the new-housing segment enters a period of modest to significant cooling over the next two years. Some evidence of overbuilding and over evaluating has emerged nationally and will not prompt increased housing projects. Canada's non-residential construction sector is projected to continue to struggle in 2016, following the oil price and Canadian dollar decline. However, government infrastructure projects should increase as the newly elected federal government has earmarked $120 billion in infrastructure spending over the next 10 years. The local construction industry should see a slow return of single-family homebuilding, more prefab/off-site construction as well as more green building in both the commercial and residential sectors.

The value of the Canadian paint industry's manufactured shipments reached almost $1.7 billion in 2015, decreasing by 2.6 per cent compared to 2014. Similarly, the total volume of manufactured paint shipments topped 254 million litres, down 3.7 per cent. Meanwhile, paint imports shrank 1.9 per cent in value and 4.9 per cent in volume, valued at $1.24 billion. The paint import/domestic ratio stands at 48 per cent, which explains the reduction in manufacturing on Canadian soil. The construction sector has always been an important driver of the overall national economy. When considering architectural paint sold in Canada, both manufactured and imported, it was significant in 2015, generating 53 per cent of the total volume of paint sales and 40 per cent of the total dollar sales.

In 2015, the industrial paint sector outperformed the architectural sector with respect to the value of wholesale shipments and imports—with 43 per cent of the total share of $2.9 billion. The Canadian automotive sector performance, which encompasses the performance of the automotive refinish and the OEM paint manufacturing segment, maintained a small share (17 per cent) of the total value and a smaller share (10 per cent) of the total volume sold in Canada. Sales of waterborne paint products in Canada, dominating the architectural sector, represented more than 90 per cent of the products sold in 2015. This compares to 78 per cent in 2006, before the *Canadian Volatile Organic Compound (VOC) Concentration Limits for Architectural Products Regulations* came into force—and after huge voluntary efforts made by industry to encourage consumers to move to waterborne paint.

In the automotive refinish sector, sales of waterborne basecoat paint accounted for as much as 80 per cent of the total volume of basecoat paint used in Canadian auto body repair shops. In 2007, prior to the publication of the *VOC Concentration Limits for Automotive Refinishing Products Regulations*, solvent-borne products accounted for 93 per cent of the total volume of basecoat sales. This is truly a major environmental success story and clear evidence of what can be achieved when industry works collaboratively with government.

CANADA'S CMP:
HIGHLIGHTS AND PROGRESS

This year marks the 10th anniversary of the federal government's launching of the Canadian Chemicals Management Plan (CMP), introduced in 2006 as part of the government's comprehensive environmental agenda. Unlike the New Substances Notification Regulations (NSNR), which focus on assessing and controlling "new" substances (i.e., those not present on the *Domestic Substances List*, DSL), the CMP broadly considers a sub-range of "existing" substances on the DSL that have been screened and prioritized under the *Canadian Environmental Protection Act* (CEPA); some pesticides that are regulated under the *Pest Control Products Act*; and specific environmental interests in ingredients from products regulated under the *Food and Drugs Act*.

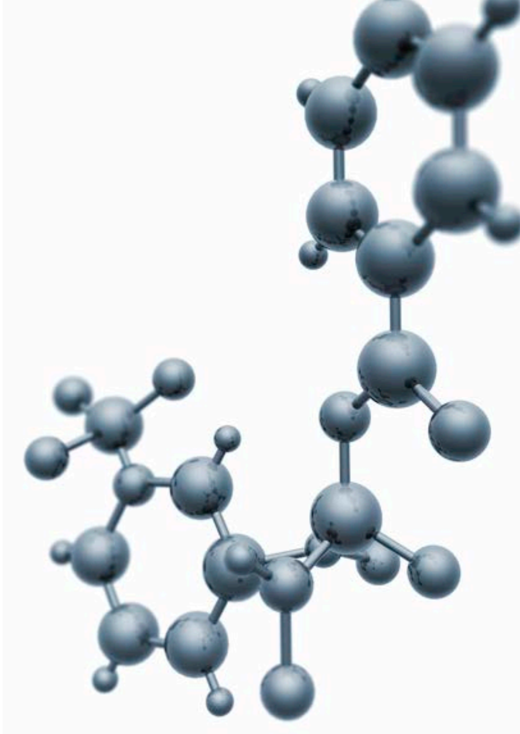
As a global leader in developing toxic substance management initiatives, Canada's multi-phase CMP has introduced:

- a systematic, science-based process for the "Categorization" and prioritized "Screening Assessment" of the roughly 23,000 legacy substances that formed the initial DSL;
- an "Industry Challenge" that included mandated and voluntary programs for collecting industry's hazard and exposure information for the highest priority substances;
- regulations that restrict and/or phase out certain substances posing an unacceptable risk to human health and/or the environment;
- restrictions on the re-introduction and new uses of high-concern substances that are believed to no longer be in commerce above 100 kg/yr;
- rapid screening of lower-risk chemical substances;
- collaborative work between federal and regional governments, academia, industry, and international authorities to support robust information-gathering and risk assessment processes; and
- collaborative work between government and industry to ensure good stewardship of chemical substances.

With funding support from the 2015 Economic Action Plan's injection of $500 million into the CMP budget for the next five years, Environment and Climate Change Canada and Health Canada are set to launch the third phase of the CMP (CMP-3 2016–21). In late-2015, the government held a multi-stakeholder workshop to share current thinking on planning and approaches for the prioritization, data gathering and assessment of the substances included in CMP-3.

With the launch of CMP-3, the new Liberal government has extended the program to address the roughly 1,550 substances (640 organics, 370 inorganics, 330 polymers and 220 petroleum substances) that remain by 2021. The plan furthers the CMP-1 and CMP-2 elements outlined above and introduces five "Type Approaches" to assess CMP-3 priority substances. These "Approaches" will consider low potential for exposure, reduced data availability and the need for cumulative assessment approaches. The approach taken for each substance will be dependent on its level of complexity and provides a corresponding assessment toolbox, ranging from rapid screening to requests for data development.

CMP-3 includes the release of Phase 3 of the DSL Inventory Update (DSL IU) and may require reporting on approximately 1,550 substances late in 2016. Lessons from DSL IU1 and IU2 have been considered, and we can expect to see basic yes/no questions along with requests for quantity and current use information. Industry associations will likely appreciate the anticipated flexibility for reporting,



using sector approaches and supply chain reporting. The DSL IU addresses the continued need to maintain updated information on the commercial status of higher priority substances and will be rolled out cyclically, likely every four years.

The key message delivered by government has been, thus far, a commitment to using a "Fit-for-Purpose" approach to ensure that the focus remains on substances of highest concern, allocating resources appropriately and engaging stakeholders effectively. This message suggests a positive continuation of the accomplishments made with early stakeholder engagements and targeted approaches for data gathering witnessed under CMP-2.

The burden on industry to provide volume, exposure and hazard information so as to inform assessment processes has strongly impacted the resources of individual companies struggling to respond to the continuous string of government's mandatory CEPA S.71 surveys. Government has declared it will build on CMP-2 learnings and will focus future surveys to address only essential data needs, will include only manufactured items with reasonable potential for exposure and target users of specific interest, thus leading to more efficient and less onerous data gathering activities for industry.

Further, government has indicated that it is moving away from the predisposition to issue mandatory surveys that trigger company-specific compliance activities and, instead, will engage with industry through sector approaches and joint industry submissions. Through its experiences with CMP-2, the government recognizes that stakeholder participation should increase when the benefits of this approach are evident. This direct line of communication with industry groups should reduce the stress on individual companies, allow associations to provide sufficiently representative hazard and exposure information for their collective membership, and simplify data collection activities.

CPCA was the first association to engage in a sector approach with the creation of the Paint and Coatings Working Group (PCWG) six years ago. CPCA members have interfaced regularly with various branches of the federal government via this working group throughout the years. It is comprised of CPCA members and representatives from Health Canada and Environment Canada. This sector working group has a standing full day of meetings twice a year to formally address sector-specific substances being assessed under the CMP. Through this comprehensive work, which also includes representation on the CMP National Stakeholder Advisory Council, CPCA is well positioned as a key stakeholder for the CMP sector approach in Phase 3.

■ **JOYCE BORKHOFF** *(INTERTEK)*

"INDUSTRY TRADE ASSOCIATIONS WILL LIKELY APPRECIATE THE ANTICIPATED FLEXIBILITY FOR REPORTING, USING SECTOR APPROACHES AND SUPPLY CHAIN REPORTING."

ANTIFOULING COATINGS:
PRESERVING PRODUCTS, SPECIES AND ECOSYSTEMS

Biofouling allows organisms and their by-products to encrust a surface. Protecting marine structures is absolutely necessary and antifouling coatings safeguard ships and ocean-going vessels from biofouling. They also protect other marine industrial structures such as water treatment and purification or tidal and sea energy structures. Another great environmental benefit of antifouling solutions is to preserve numerous species and ecosystems, by reducing the transference of invasive species. Antifouling coatings have been used since 1881, and the paint industry has continuously improved their performance since then, more intensively in the last 40 years.

More than 100,000 commercial ships carrying freight and people sail around the globe. Recent European estimates suggest that one container ship can cause as much pollution as 50,000 automobiles each year and release up to 5,000 tonnes of sulphur oxide into the air. Fuel represents 50 per cent of a ship's total operating costs. Antifouling coatings reduce drag or friction when a ship is moving. Without them, fuel consumption, maintenance cost and carbon dioxide emissions could increase by 40 per cent or more. The International Maritime Organization (IMO) estimates that a single vessel with proper antifouling would see minimum savings of 6 per cent over a five-year period and "could reap savings of 9,000 tonnes of fuel, reducing emissions by 31,000 tonnes and saving around US$3.6 million."

In the past, various synthetic formulation approaches based on the release of chemically derived biocidal substances including metal derivatives or salts were explored (i.e., organotins, cuprous oxide and metallic coppers). These substances have been used to formulate antifouling coatings which, unfortunately for some, were also revealed to be cytotoxic, or disruptive of aquatic life. The coatings industry has further enhanced antifouling performance and improved sustainability by reducing or eliminating the use of toxics in their formulations. The latest environmentally friendly antifouling coatings are deemed more costly (roughly up to four times more) than conventional formulations, but the return on investment is considerably higher. It is truly what sustainability is all about—good for the economy and good for the environment.

Over the past several decades, antifouling paints primarily acted as a biocidal reservoir, which gradually becomes depleted according to various leaching rates after application. Their effectiveness and life cycle depended on the types and level of biocides, along with the types of resins. Very few biocides have been practical for use in antifouling formulations since extremely precise properties are required (i.e., toxicity and solubility in sea water). Many were too soluble or not safe to handle. Therefore, formulators have worked hard to develop antifouling compound analogues that display significant anti-adhesion properties without the related toxicity (i.e., TFA-Z, Diuron, Tolylfluanid, new classes of antimicrobial agents, imidazole-triazole derivatives or nano-TiO2 based coatings).

NON-TOXIC BIOMATERIALS

More recent antifouling research has focused on development and testing of promising non-toxic biomaterials, which are based on the behaviours of biological systems, and because of their biocompatibility, have the potential to efficiently resolve environmental issues safely and sustainably. Among the latest advances is an approach that essentially mimics natural antifouling surfaces and relies on mechanisms of action inspired from nature. One class of research is based on the fact that sponges, algae, corals, sea urchins and sea-squirts use millenary strategies such as natural biocides, anaesthetics and growth, attachment and metamorphosis-inhibiting molecules to prevent biofouling.

The most effective biocide found in nature is a steroid of toad poison called bufalin. It is over 100 times more effective than TBT (Tributyltin) but also extremely expensive. Several natural compounds with simpler synthetic routes, such as nicotinamide or 2,5,6-tribromo-1-methylgramine, have been incorporated into patented antifouling paints. Additionally, various tannins (nonterpene), naturally synthesized by plants, are effective biocides when combined with copper and zinc salts. Another class of biomimetic antifouling coatings research has been inspired by the surface of shark skin, which consists of nanoscale overlapping plates that effectively prevent sharks from becoming fouled even when moving at slow speeds. Latest micro-structuring surface strategies are directly inspired from marine animal life.

The development of layers mimicking algae surfaces are based on anti-quorum-sensing molecules that affect cell-to-cell communication. Indeed, every biofouling species sends specific chemical growth intercellular signals in response to population density, a phenomenon called "quorum sensing" that can be disrupted. New approaches rely on the reduction of marine biofilm formation based on non-biocides (i.e., bio-surfactants/dispersants, enzymes and others). In 2000, the industry started using foul release coatings that do not contain active biocides but create a surface that prevents bio-fouling attachment and growth. In parallel, advances in research and prevention of bacterial adhesion and biofilm formation on marine surfaces can find major resonance in other fields of research such as in the development of medical devices.

Since its launch in 2014, a new international award-winning program rewards ship owners that convert existing vessels from biocidal antifouling coating methods to premium biocide-free advanced hull coatings, which also reduce fuel consumption and CO_2 emissions—hence providing carbon credits for established trading systems.

REGULATIONS DRIVING SUSTAINABLE SOLUTIONS

Worldwide regulations now require environmentally friendly antifouling solutions. Since 2004, the IMO's Antifouling Systems Convention has proposed a global prohibition on the application or reapplication of organotin compounds (tributyltin or TBT), which have been used as biocides in antifouling systems for ships. The *Canada Shipping Act* and related regulations for the prevention of pollution from ships and dangerous chemicals apply to all ships in Canadian waters and to all Canadian ships abroad. Another regulation for Canadian vessels contains specific provisions for noxious liquids and dangerous chemicals, sewage, garbage, air and antifouling systems. They incorporate the provisions of MARPOL and the Antifouling Systems Convention. Canada has acceded to both conventions. In 2009, Environment and Climate Change Canada and Health Canada proposed a risk management approach for non-pesticidal organotin compounds recommending the addition of tributyltins and tetrabutyltins to the List of Toxic Substances. In 2012, the government prohibited the manufacture, use, sale, and offer for sale or import of TBTs into Canada and of products containing them with few exemptions. Compared to earlier copper-containing coatings, TBT is more toxic and lasts longer.

"WORLDWIDE REGULATIONS NOW REQUIRE ENVIRONMENTALLY FRIENDLY ANTIFOULING SOLUTIONS."

Health Canada regulates the sale and use of products such as organotin paints in the country. The Pest Management Regulatory Agency (PMRA) maintains a list of registered antifouling paints that may be imported, sold or used in Canada. The PMRA must be notified of any minor changes in antifouling formulations.

CPCA is an active member of the International Paint and Printing Ink Council (IPPIC), which organizes the Global Marine Coatings Forum of the IMO. It also organizes international workshops on biofouling management for sustainable shipping, bringing together representatives of marine industries, coatings manufacturers and suppliers, governments and research organizations. These events promote and develop effective and practical management strategies to ensure that shipping and other maritime industries can continue to support trade, security and economic development with minimal environmental impact.

LYSANE LAVOIE *(CPCA)*

ADHESIVES AND SEALANTS:
HIGH-PERFORMANCE INNOVATION

What exactly is going to drive the growth of the global adhesives and sealants industry? One answer is more construction activity, along with upbeat trends in the U.S. transportation sector and a growing application of adhesives in various fields including woodworking and medical. Add the growing global GDP, the rising demand for miniaturization of electronic products and devices, and an increased need for environmentally friendly products into the mix and the picture is positive.

INNOVATE, AND THEN INNOVATE SOME MORE

Production of adhesives and sealants is simple, but it is nigh impossible when R&D is missing. With various, escalating pressures, such as keeping overhead down, industry will be challenged to devise better, more efficient ways of delivering state-of-the-art, high-performance products. Buyers want these goods to work faster, be lighter and more resistant with a longer shelf-life than is currently available. Manufacturers and fabricators continue to rise to this challenge by delivering sophisticated results.

The upshot of innovating is the increased use of structural adhesives—high molecular weight molecules that help the manufacturers and fabricators accelerate production, cut costs and boost product quality. Ultimately, structural adhesives help companies ensure their products can withstand high loads under various stresses for extensive periods of time.

R&D fuels demand for polyurethane adhesives, which provide versatility, optimal bond strength, long life and dependability, as well as methacrylate adhesives that offer the transportation and construction industries impact-resistant, structural bonds on metal, wood, composites and plastic.

BIGGER VOLUME

The automotive industry is a huge beneficiary of adhesives and sealants, and things are looking positive in this area as their use has intensified and is expected to continue. According to a report by Frost & Sullivan, improved sales around the world will see the market grow and revenue nearly double by 2021. That said, the sector is likely to have to deal with two obstacles: 1) despite the fact that adhesives and sealants are cheaper and easier to handle, original equipment manufacturers (OEMs) are hesitant to veer away from using traditional products like nuts and bolts; and 2) Europeans are wary of introducing the newer, state-of-the-art adhesives and sealants because they are concerned their economy will slow as the continent continues to struggle. Companies might convince OEMs to use their adhesives and sealants to help sustain profits in a highly competitive market.

Hot-melt adhesives (HMA) are projected to grow. Despite a small hiccup in 2014, triggered by shrinking exports and a slow-moving market, analysts say movement will pick up again, fuelled in particular by the packaging and hygiene products sector. However, HMAs affect the end-product's quality but not its overall cost, compelling buyers to increasingly choose higher-end products. This in turn is forcing companies to invest more in R&D—a serious factor for any enterprise, particularly if it wants to succeed in the global arena.

Thermoplastic elastomers (TPEs), meanwhile, are anticipated to also gain ground between now and 2022, with revenues swelling by more than 5 per cent each year. These highly dynamic materials are for the most part used in the automotive industry for bumpers and fabric coatings, and they are replacing standard plastics and conventional elastomers. But interest is growing, especially in the transport and construction industries. This sector saw its highest demand in the U.S., Chinese, Japanese, and German markets, representing nearly two-thirds of the global demand in 2014.

Adhesive films are making their mark in the automotive industry as well, with pressure-sensitive and acrylic adhesive films leading the pack. This market is projected to expand 6 per cent (compound annual growth rate) in 2016 and for the following three years, as various industries like automotive, packaging and electronics increasingly apply these films in their products. It will feel pressure, however, as crude oil prices and new VOC regulations are expected to play havoc during this period. This includes new regulations now being considered in Canada under Phase 3 of the federal government's Chemicals Management Plan (CMP-3).

There are 405 substances of the 1,550 under review in CMP-3 in the adhesives and sealants sector, representing 26 per cent of the total. This is a substantial number of substances for adhesives and sealants that will be formally assessed by the federal government for a possible ban or a risk management measure such as regulation. The 10 consumer and commercial applications most frequently reported for CMP-3 substances that were manufactured or imported in concentrations greater than or equal to 0.1% w/w (alone or in mixture/product) ranked adhesives and sealants as number 3, representing 149 substances for toxicity assessment. Industry must be fully engaged over the next several years as governments escalate their risk assessments of adhesives and sealants to ensure any decisions made to tighten regulations or any restrictions of uses are based on sound science.

THE RAW GLITCH

It should be noted that the fluctuating prices of raw materials, as well as a shortage in their supply, could negatively impact adhesives and sealants over the course of 2016. When it comes to sophisticated technologies, some companies depend on raw material suppliers to deliver the much needed innovation. But it is the adhesives and sealants companies that handle the formulation and incorporation of new raw materials into products to help optimize performance.

Industry stands to win when all is said and done. The global market for adhesives and adhesive applying equipment is projected to reach almost $49 billion in 2016, eventually increasing to $62 billion by 2021. For Canada, according to analysts, it is a mature industry that will continue to grow in relation to how the national economy grows. The use of adhesives and sealants in other applications is also anticipated to expand.

PORTFOLIO REVAMPING

This growth will be possible if Canada maintains its solid international trade ties with the United States, particularly because the majority of the sector still competes in the North American market, not globally. Meanwhile, robust growth is expected in the area of high-performance adhesives and sealants because of the important role R&D plays. Worldwide competition in this area is already strong. Industry has hinted that it will intensify even further as companies seek to move across borders and turn their business niche into a mass market. Ultimately, Canadian manufacturers and fabricators will succeed if they choose to diversify their business portfolio, that is, focus more on innovating high-performance adhesives and sealants and less on their low-performance products.

■ **GARY LEROUX** *(CPCA)*

"THE GLOBAL MARKET FOR ADHESIVES AND ADHESIVE APPLYING EQUIPMENT IS PROJECTED TO REACH ALMOST $49 BILLION IN 2016..."

CPCA MEMBER PROGRAMS & SERVICES

CPCA bridges the gap between industry and government through its diverse programs and services. The benefits of these resources are many but all have one objective: an industry with a single, resounding voice for a strong and sustainable paint and coatings industry in Canada.

GOVERNMENT RELATIONS AND REGULATORY AFFAIRS

A PROVEN TRACK RECORD OF SUCCESS

CPCA fosters and maintains positive relations with government at the federal, provincial and municipal levels. The association's Health, Safety and Environment (HSE) and Product Stewardship committees play an instrumental role in addressing regulatory affairs including in their respective sub-committees like HSE's Paint and Coatings Working Group (PCWG). PCWG includes CPCA staff, member company representatives, as well as Environment and Climate Change Canada and Health Canada officials. It reviews proposed chemicals management regulations ahead of talks with other industry associations and stakeholders. **This enables CPCA and its members to provide their direct input on issues and substances of concern well in advance of critical decisions being taken by government.**

Changes in regulations create a level of uncertainty across the entire supply chain for all concerned: raw material suppliers, distributors, formulators and the end users. No one escapes the impact of these changes. This has never been truer than in the case of Canada with the Chemicals Management Plan (CMP) assessing chemicals of concern used by industry sectors of every stripe. With paint and coatings being one of the sectors most implicated by these regulations, CPCA has been fully engaged for the past nine years on CMP and will continue to be over the next five years on Phase 3 of the plan—to be formally launched in 2016. Phase 2 of the CMP (CMP-2) began wrapping up at the end of 2015.

Phase 3 of the CMP (CMP-3) will have a direct impact on paint and coatings and adhesives and sealants companies operating in Canada. CPCA has a proven track record in successfully minimizing that impact on industry. One must consider the fact that decisions, which are not aligned with other jurisdictions or lead to negative decisions by the federal government with respect to chemicals used in paint and coatings and adhesives and sealants, can quickly lead to the following negative impacts:

- **trade disruptions** and difficulties in the management of stocks for North American trade;
- **elimination of products** with high penetration in the Canadian marketplace;
- **reformulations required** for products with substitutes that are not always cost-effective or available in Canada;
- **extensive testing, re-labelling** and **special precautions** with respect to transportation of goods;
- unique **Canadian restrictions of use** and/or **misalignment with U.S. and international regulatory measures** for substances; and
- the potential of creating **a negative image for the industry** with respect to substances used in paint and coatings and adhesives and sealants formulations including in cases where these products and applications may not even be targeted for specific risk control measures.

Industry wants none of these negative impacts to become a reality and alter its business plans. CPCA's work can save companies time and money, thereby providing a significant return on investment for its members and, in turn, enable government officials to make facts-based decisions on the chemicals assessed and thereby protect the environment and human health of Canadians.

CHEMICAL MANAGEMENT PLAN (PHASE 2)

Of the approximately 2,700 substances on the *Domestic Substances List* (IU) in Phase 2 of the CMP, half were not in commerce, with 363 substances or groups of substances found to be toxic (13.2 per cent). Of the latter, 76 final risk management instruments covering 325 substances or groups of substances were developed. The paint and coatings sector was implicated in roughly 30 per cent of the substances in commerce. At the request of CPCA, the federal government confirmed that the adhesives and sealants sector reported using 210 polymers and 195 substances on the DSL in Phase 2. There are 405 substances of the 1,550 under review in CMP-3, representing 26 per cent of the total implicated for adhesives and sealants. Paint and coatings, including adhesives and sealants, is also among the top industry segments implicated for polymer assessment in CMP-3.

Additional risk management instruments are still under development for some of these substances. The paint and coatings industry must ensure substances are subject to the proper risk assessments based on science-based data. CPCA members, for their part, have done excellent work to help make certain that key substances can still be used in product formulation. At the same time, they ensure excellent product performance and protect the health and safety of the consumer.

SUBSTANCE GROUPING INITIATIVE

- **Azo- and benzidine-based:** All draft screening assessment reports were published for the Aromatic Azo and Benzidine-based Substance Grouping. The Final Screening Assessment Report (FSAR) for aromatic azo- and benzidine-based substances were published for 129 of the 358 substances. Six final risk assessment reports remain to be published (i.e., for monoazo pigments and for certain azo acid dyes, azo disperse dyes, basic dyes and solvent dyes).
- **MDI/MDA:** The Final Screening Assessment Report (FSAR) for methylenediphenyl diisocyanate and diamine (MDI/MDA) substances is expected in early 2016. DIY two-component spray polyurethane foam insulation products containing MDIs are the main targets for risk management. MDA substances are recognized for their high human health hazard and toxicity to aquatic organisms. Therefore, there is concern that new activities not previously identified or assessed could lead to MDAs requiring further action by the federal government related to possible regulations under Significant New Activity (SNAc) provisions of the Act.
- **Cobalt-containing substances:** The final report for cobalt-containing substances is expected in the first half of 2016. The draft Screening Assessment Report (DSAR) published in 2014 mentioned the use of cobalt compounds in adhesives and sealants and in paint and coatings but did not specifically target these two sectors for the development of risk management instruments. Nevertheless, the DSAR concluded that all cobalt-containing compounds in the grouping meet the toxicity criteria under CEPA 1999 as they are entering or may enter the environment in a quantity or concentration or under conditions that have or may have an immediate or a long-term harmful effect on the environment or its biological diversity.
- **Phthalates:** Paint and coatings, including adhesives and sealants, have been identified as potential sources for releases to the environment but not as dominant sources. The government proceeded with an effluent sampling campaign of certain manufacturers and high volume users in the course of 2014. There were four State-of-the-Science (SOS) reports along with a proposed cumulative risk assessment approach completed. Non-CEPA toxic conclusions could be reached for any of the individual assessments of phthalates. However, a cumulative risk assessment must still be conducted similar to that of the U.S. phthalate initiative and the current academic scientific literature. CPCA will continue to provide members with information to ensure an accurate assessment is done. Questions were also addressed with respect to the ecological risk characterization of phthalates. CPCA raised the possibility of aligning risk management activities with the U.S. proposed rules on phthalates. **There will be further discussion on this aspect in 2016 by PCWG**.
- **Other groupings:** The draft screening assessment for boron-containing substances will be completed in the first half of 2016. For substituted diphenylamines, certain organic flame retardants and selenium-containing substance groupings, a screening assessment is expected in late-2016. Health Canada has taken measures to raise public awareness for these substances.

PETROLEUM SECTOR STREAM APPROACH

- **Stream 2:** A mandatory Section 71 survey was launched in 2015. Environment Canada shared with CPCA a list of Stream 2 substances that were confirmed to be used in the paint and coatings industry.
- **Stream 3:** The final screening assessment and risk management approach for Fuel Oil No. 2 was published in 2015. This substance was determined to be harmful to the environment. The government will focus on practices and technologies currently available for reducing the occurrence and impact of spills.
- **Stream 4:** The draft screening assessment for petroleum and waxes, published in early 2015, concluded that these substances are not harmful to human health or the environment at current levels of exposure.
- **CMP-3:** In 2015, the federal government gathered qualitative information on the import and blending/formulation activities of 70 of the remaining priority petroleum substances. The government will support a triage activity for assessment of 220 petroleum substances for possible addition to the CEPA toxic list, and identify stakeholders for further engagement.

NEW SUBSTANCES PROGRAM UPDATE

In 2015, the New Substances Program assessed 278 new substance notifications prior to their introduction into the Canadian marketplace. Of these, 237 were chemicals and polymers; 13 were biotechnology products; 24 were chemicals and polymers used solely in a food and drug application; and four were biotechnology products used solely in a food and drug application. The New Substances Program completed nine pre-notification consultations and added 141 substances to the *Domestic Substances List*. Six new summaries for new chemicals and polymer substances were published in 2015.

CHEMICALS MANAGEMENT PLAN (PHASE 3)

The Paint and Coatings Working Group met at the end of 2015 to get an early look at the CMP roll-out for assessment in CMP-3. Moreover, 35 industry and government attendees participated in CPCA's full day of meetings. **The association gained important insight on the government's process for prioritizing the chemicals, which ones may be suitable for grouping and the related timing of assessments.** PCWG's work is critical for members to obtain relevant feedback and to provide direct input with respect to the data gathering—whether conducted voluntarily or via government-mandated surveys.

The official launch of CMP-3 is expected to occur in the second quarter of 2016. Preliminary documents detailing some of the groupings of 1,550 substances and related priorities, over a five-year period (2016–21), were reviewed in detail at the last CPCA Paint and Coatings Working Group meeting in November. CPCA is now seeking further feedback on the recent CMP-3 action plan for the benefit of members and to address some of the technical issues that are anticipated with the proposed schedule and timeline. **All of this is archived for members' use in the Members Only section of the CPCA website.**

CPCA is also seeking information for some of the priority groups identified for organics and inorganics. For a period extending from April 2016 to April 2021, Environment Canada and Health Canada will analyze roughly 1,550 DSL substances (645 organics, 370 inorganics, 320 polymers, 220 petroleum): 310 substances per year, almost one substance per working day. **The paint and coatings sector as well as adhesives and sealants are implicated in about 30 per cent of the substances in commerce.** Following a first *Notice of Intent* published in February 2016 to confirm the CMP-3 list of 1,550 substances, industry expects a more detailed *Notice of Intent* on the risk assessment process and timeline table to be published at the official launch time of CMP-3 in spring 2016.

There were also detailed discussions on the potential risk management for phthalates substance grouping.

CPCA attended a series of CMP multi-stakeholder workshops in 2015, which provided updates on the federal government's plan for the *Domestic Substances List* inventory update, and presented priority groupings with time schedules, risk management instruments being considered, and various initiatives on nanomaterials. **CPCA participated in all consultation meetings and shared the information with CPCA members for further input and insight as we move forward with assessment of chemicals.**

NANOMATERIALS

A proposed approach to address nanoscale forms of substances on the DSL was also published in 2015. The Section 71 survey on certain nanomaterials in commerce was launched in summer 2015 with a reporting period that ended on February 23, 2016. This will provide a baseline of information on the current commercial activity, both volume and type of applications, for 206 nanomaterials, as well as inform the overall approach to existing nanomaterials. **CPCA will be engaged in further consultations on the path forward in 2016.**

VOC REGULATIONS: POSITIVE NEWS FOR CPCA MEMBERS

CPCA worked with Environment Canada throughout 2015 on the evaluation of the *Volatile Organic Concentration Limits for Architectural Coatings Regulations* (2009). Environment and Climate Change Canada's accredited laboratories tested the 10 main architectural coatings categories under the VOC regulations. They surveyed the top 46 architectural paint manufacturing companies for detailed VOC information. **Ten of the responding companies were among the top 12 representing 75 per cent of the domestic market.**

Total VOC emissions from paint fell to 16 kilotonnes in 2014 down from 57 kilotonnes in 2005, a reduction of 41 kilotonnes. **This represents a reduction of 73.6 per cent in VOC emissions. Virtually all waterborne products met the VOC limits in their respective categories.** However, there are some challenges for solvent-borne products still on the market, in terms of VOC reductions for that segment, especially with respect to waterproofing and medium- and high-gloss solvent-borne products. Once 100 per cent reductions are achieved in this group there will be an additional two-kilotonne reduction in VOC emissions. According to CPCA survey results, solvent-borne products represent less than 10 per cent of the total national coatings market of more than 10,000 architectural product lines sold in Canada.

CPCA FOCUSES ON POTENTIAL IMPACT OF PROPOSED FEDERAL MICROBEADS REGULATION ON THE PAINT SECTOR

Rather than redefining the proposed definition of microbeads in Schedule I of the *Canadian Environmental Protection Act*, which restricts the nature and number of qualifying terms that can be used to define targeted substances, Environment Canada has agreed to publish an explanatory note to accompany the Schedule I listing for microbeads. This clarity is positive news for the coatings sector given the fact that the federal government has also agreed to revise the definition as follows: *Plastic microbeads which have a size greater than 0.5 µm and less than or equal to 2 millimeters*. It is an improvement and marked difference from the originally proposed range: *Synthetic polymer particles that, at the time of their manufacture, are greater than 0.1 µm and less than or equal to 5 mm in size*. CPCA is pleased that this has moved in a more positive direction so as not to inadvertently capture polymers and polymer emulsions used in latex paint products. **It was important that this regulation not lead to a possible future designation of "toxic" for substances used in a widely accepted and sustainable paint product such as latex paint.**

FINAL RECOMMENDATIONS ON GHS: CONCENTRATION RANGES AND CBI CLAIMS

Ongoing work on the GHS implementation in Canada has long been a priority for CPCA and its members. Health Canada provided valuable information or guidance on what is required for industry to be fully compliant with the new regulations. However, some questions still remained in 2015, which required CPCA to work closely with government officials to further clarify the outstanding requirements for concentration ranges and CBI claims. CPCA obtained a more specific clarification to ensure that member companies shipping products in Canada are in full compliance. There is little or no chance that the WHMIS 2015 regulations will be amended during the transition period over the next two years, especially while the United States moves forward with its GHS implementation.

RESOURCE RECOVERY AND CIRCULAR ECONOMY ACT

The Ontario government introduced the *Waste-free Ontario Act* (Bill 151) last year, which, if passed, would implement a new approach to managing resource recovery in Ontario. The proposed *Draft Strategy for a Waste-Free Ontario: Building a Circular Economy* was also posted in the

Environmental Registry on November 26, 2015 for a 95-day public review and comment period. Ontario's draft strategy recognizes that the current "produce-use-dispose" model is not sustainable. When implemented, the strategy would move Ontario towards a circular economy—a system where nothing is wasted and valuable materials destined for landfill are put back into the economy without negative effects on the environment. CPCA manufacturer members represent more than 90 per cent of the paint stewards in Ontario with a proven track record of achieving or exceeding established targets for post-consumer paint recycling. As such, the association expressed the view that the proposed legislation in Ontario must focus on outcomes over process, efficiency over inefficiency and seek practical solutions for waste reduction instead of overly prescriptive regulations. The new legislation is expected to come into effect at the end of 2016. **CPCA continues to consult with the Ontario Government on the proposed legislation and the amendments that are required.**

TRANSPORTATION OF DANGEROUS GOODS REGULATIONS: PROSPECTIVE PLAN 2016–17

CPCA reviewed the public list of anticipated regulatory changes for the transportation of dangerous goods, which Transport Canada intends to bring forward in the 2016–17 timeframe. This gives businesses and trading partners a greater opportunity to advise on the development of regulations and to plan for the future. For example, some of the critical areas include:

- The amendment on reporting in the proposed regulations amending the *Transportation of Dangerous Goods Regulations* will include new security provisions, modify existing reporting requirements, and specify the data to be made available for risk analysis.
- The reporting criteria for the quality of dangerous goods released during transport will change except for the thresholds in certain classes of Packing Group III. The proposed amendment also provides for certain cases where the obligation to make a report does not apply.
- New requirements for the reporting of the loss or theft of dangerous goods. Incidents would need to be reported to the Canadian Transport Emergency Centre (CANUTEC) and, if applicable, to Natural Resources Canada (NRC) and the Canadian Nuclear Safety Commission (CNSC).
- The new definition of "release" will capture both accidental releases and voluntary releases.

SUSTAINABILITY AND PRODUCT STEWARDSHIP

AHEAD OF THE CURVE

CPCA SUSTAINABILITY POLICY

CPCA supports a policy of sustainability that meets the business objectives of its member companies, while preserving the health and safety of its workers, and protecting human health and the environment. The paint and coatings industry has a long history of sustainable practices. These include protecting and decorating the surfaces of buildings and structures, ships, planes and automobiles, as well as paints and coatings that provide energy efficiency, disease prevention and "self-repairing" surface treatments. Other examples include resource recovery; eliminating hazardous emissions; offering products formulated to meet specific safety requirements; "life cycle assessments" to mitigate the negative environmental impacts that come from preserving and protecting infrastructure, workers and community health; and safety programs protecting the workforce that manufactures its products and the communities that use paints and coatings. All of these practices help boost living standards and quality of life. Strong, sustainable and balanced growth is the hallmark of this sustainability policy.

The paint and coatings industry will continue to:

- Minimize its impact on the environment and public health and safety through the responsible use of natural resources, as well as the adoption of pollution prevention, waste minimization, risk management and product stewardship practices throughout the value chain;
- Use its resources to provide beneficial resources to employees, shareholders and communities in which they operate or sell products;
- Engage with employees, representatives of government, public stakeholders and customers to advance sustainable operations; and
- Collaborate with communities in which the industry operates and where its products are used and sold.

Adherence to CPCA's sustainability policy has proven beneficial for both industry and the communities served with important results, as follows:

- Effective stewardship programs in every province with substantial post-consumer paint recovered annually and fully funded by paint and coatings companies operating in Canada;
- Compliance with VOC and other regulations has reduced low-level GHG emissions substantially and led to increased use of water-based paint versus solvent-based (more than 90 per cent of decorative paint used in Canada now is water-based or latex);
- A strong record of health and safety related to the manufacture and distribution of products for thousands of substances used in the paint and coatings industry in Canada; and
- Strong compliance with health and environmental regulations imposed by all levels of government across Canada.

POST-CONSUMER PAINT STEWARDSHIP

The industry in Canada now leads the world in post-consumer paint recycling with a program in every province. **In 2015, roughly one kilogram of leftover paint was recovered and recycled for every Canadian—approximately 36 million kilograms.** Individual coatings companies are constantly innovating with new product formulations that are low in VOC emissions, highly functional, smart coatings and with better product performance than ever before. Product stewardship is an approach in which manufacturers are the responsible stewards under Extended Producer Responsibility (EPR) requirements under provincial legislation. Under this legislation, manufacturers are mandated to reduce the negative impacts to human health and the environment resulting from the production, use and end-of-life management of paint products. Manufacturers pay 100 per cent for the end-of-life management of leftover paint, which includes such things as collection, transportation, storing, recycling and the related logistics and administration. CPCA continues to liaise with provincial governments that seek to establish new legislation and/or regulations related to waste management. **The goal of the association, on behalf of its members, is to ensure appropriate regulations are put in place to achieve the best possible outcomes for the environment.**

NORTH AMERICAN & GLOBAL INFLUENCE

THINKING GLOBALLY, ACTING LOCALLY

INTERNATIONAL PAINT AND PRINTING INK COUNCIL

CPCA works closely with the American Coatings Association (ACA) on cross-border issues and on initiatives for enhanced regulatory alignment. Over the past several years this included work related to the Canada-U.S. Regulatory Cooperation Council (RCC) on regulatory harmonization. CPCA also works with other national associations around the globe as a member of the International Paint and Printing Ink Council (IPPIC). IPPIC is comprised of paint and printing ink associations representing Australia, Brazil, Canada, China, India, the European Union, France, Germany, Japan, New Zealand, Mexico, Turkey, South Africa, the United Kingdom, and the United States. IPPIC's international representation allows it to:

- Maintain NGO status since 2005 on the United Nations Economic and Social Council on the Globally Harmonized System for Labelling and Transportation of Dangerous Goods;
- Represent international industry issues at the United Nations and World Health Organization under GAELP, the Global Alliance to Eliminate Lead in Paint, which is focused on lead in paint for consumer products with specific exposure to children;
- Work with the Organization for Economic Cooperation and Development on exposure modelling and environmental monitoring initiatives;
- Hold consultative status at the International Maritime Organization on anti-fouling and corrosion protection standards related to marine coatings;
- Host a biennial Coatings Summit of coatings company leaders from around the world; and
- Support production of a comprehensive forecast for the coatings industry with *Global Paint and Coatings Industry Market Analysis,* published every five years by Orr & Boss.

REGULATORY COOPERATION COUNCIL UPDATE

The final work plan for activities under the Canada-U.S. Regulatory Cooperation Council on Chemicals Management collaboration was published in May 2015. This work plan has two separate initiatives focusing on regulatory reporting requirements for new uses of chemicals: Significant New Activity (SNAc) provisions in Canada and Significant New Use Rules (SNUR) in the U.S. and chemical risk assessment. Two multi-stakeholder technical working groups were formed to contribute to work plan outcomes and recommendations, which met in Washington in October 2015. As part of the risk assessment initiative in 2015, a comparative analysis of the regulatory frameworks used in each country to assess the risk of existing chemicals was finalized.

INTERNATIONAL CONFERENCE ON CHEMICALS MANAGEMENT (ICCM4)

A draft resolution on emerging policy issues was issued by the fourth session of the International Conference on Chemicals Management (ICCM4), Geneva, Switzerland, in October 2015, along with a Global Alliance to Eliminate Lead Paint (Action Plan for 2015–16). IPPIC continues to look at ways and means to be more engaged in emerging issues that have been identified, such as lead, nanotechnology and the Chemicals in Products (CiP) Program—all of which were approved by SAICM (Strategic Approach to International Chemicals Management) at the fourth ICCM4 in October. This program is envisioned as a multi-stakeholder project led by UNEP to improve the exchange of information on chemicals contained in products. It will encourage companies to proactively move beyond legally restricted substances by identifying and disclosing chemicals of concern in their products and related supply chains based on hazard characteristics.

UNITED NATIONS 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT

More than 150 world leaders adopted an ambitious new sustainable development agenda at a United Nations summit held in New York in September 2015. The 2030 Agenda for Sustainable Development contains 17 sustainable development goals with 169 targets. IPPIC will continue to track and provide input on these as they unfold.

SKILLS DEVELOPMENT & TRAINING

DIPLOMA IN COATINGS TECHNOLOGY

CPCA's online training products are an important part of the association's offerings for industry, providing excellent learning opportunities for members and non-members. Along with its Diploma in Coatings Technology, CPCA offers online training for GHS and the new Health Products Regulations (formerly WHMIS) as well as training related to the Transportation of Dangerous Goods (TDG).

Two recipients received a Diploma in Coatings Technology in 2015: Yan Yan Wu (Dominion Colour) and Quadri Alimi. The course focuses on theoretical concepts, industrial paint applications and sales and marketing. It is designed for employees of paint manufacturers in product development, as well as sales and marketing professionals. **The online course also helps those engaged in raw materials distribution in the coatings industry to train new employees, and paint contractors who need to understand the performance qualities of the products they use.** *(www.canpaint.com/coatings-technology)*

CPCA ANNUAL SCHOLARSHIP

Based solely on academic achievement in high school and post-secondary levels, the CPCA annual scholarship is granted to children of staff working for member companies. *(www.canpaint.com/training-scholarship)*

INFORMATION, RESEARCH & STATISTICS

Below is a sample of some of the information and research undertaken by the association in 2015 related to the ongoing work of federal regulatory bodies.

GENERAL CPCA 2015 STATISTICAL TABLES

CPCA statistics on paint shipments of imports and exports—as derived from Industry Canada data—provide insight on important industry trends.

ANNUAL SURVEYS

CPCA's biannual compensation survey report was issued last summer. CPCA conducts an analysis of the available Statistics Canada financial data series, which combines financial data from paint manufacturing and three other NAICS (North American Industry Classification System) codes. Analysis is done with respect to paint manufacturing data, finished goods values, inventory values and values of paint raw materials, fuels, supplies and components.

REVIEW OF MANAGEMENT INFORMATION SERVICES AND ACTION PLANS FOR 2015–16

CPCA's *Quarterly Pulse of the Canadian Economy* informs members on economic forecasts, new market studies, colour trends, key market indicators and various studies. **A new *Index Project* is being developed related to improved tracking of the Canadian paint industry economic performance from quarter to quarter that includes manufacturers and paint suppliers/distributors**.

CPCA MIC MEETING

The biannual meeting of the Management Information Committee (MIC), held jointly with the American Coatings Association, addresses current and emerging markets and new techniques related to data gathering. It also looks at trends and forecasts based on new modelling tools to predict national and paint sector economic performance. Work continues on reviewing the new classification and labelling requirements, registration gateways, standards, and common requirements and policies for chemicals. **The Annual Canadian Coatings Seminar, held in conjunction with the fall MIC meeting in Canada, was launched in 2015.**

TRADE SUB-COMMITTEE REPORT

MIC focused on tracking the sales of new categories of products such as the decline of alkyd products in the Canadian market. The categories included dry fog, primers and undercoats, anti-graffiti coatings, waterproofing sealers, concrete and masonry sealers and anti-rust paint. **The level of standardization for DIY products was also tracked.**

AUTOMOTIVE REFINISH REPORT

Sub-committee members were concerned about the contamination of automotive refinish sales results with the reporting of commercial transportation coatings sales. A question on solvent-borne basecoats that were compliant versus non-compliant subcategories was recently added to the main survey form, thus providing greater insight for participants.

INDICES FOR COATINGS COMPANIES

The U.S. Producer Price Index (PPI) for paint and coatings involves the preparation and compilation of many specific indices by the Bureau of Labour Statistics (BLS), for example, TiO_2, paint fillers, synthetic dyes, lime, plastic resins, steel cans and barrels. The PPI for pigments has greatly increased in recent years in relation to the PPI for plastic resins or prepared paints. Newly improved indices for exterior architectural, interior architectural, transportation finishes, OEM and special purpose products are available. **Other retailing indices are also available to members, such as the paint store index or retail index.**

MODELLING FOR ARCHITECTURAL COATINGS

This CPCA committee regularly examines the validity of leading indicators in the coatings industry, such as total residential construction, total new and existing home sales and total non-residential construction. Key predicting models are also updated regularly for the benefit of survey participants.

Copies of presentations and submissions related to the above items are available in the Members Only section of the CPCA website.

STRATEGIC COMMUNICATIONS

CPCA CONNECTS

FOLLOW US ON **TWITTER**

JOIN OUR **LINKEDIN** GROUP

LIKE US ON **FACEBOOK**

SUBSCRIBE TO OUR **NEWSLETTER**

EMAIL CPCA@CANPAINT.COM
TO SHARE YOUR IDEAS AND SUGGESTIONS

LEARN MORE AT **WWW.CANPAINT.COM**

CPCA REGULAR PUBLICATIONS

CPCA regularly publishes several important publications to ensure members are fully informed of ongoing issues and actions impacting the paint and coatings industry in Canada. These include:

Business Management & Marketing News *(for CPCA members only):* a bimonthly newsletter addressing relevant issues for those involved in management, sales and marketing in member companies.

Regulatory News Alert *(for CPCA members only):* a bimonthly publication detailing comprehensive legislative and regulatory actions at all levels of government.

Prime Time News: a publicly available monthly newsletter sent to members, important stakeholders and governments to provide a window onto the industry for those with an interest or a role in the sector.

CPCA INSIGHT - Guide & Directory: published annually to report on CPCA's work on behalf of members, highlight key trends in the industry, raise awareness of the issues important for the sector, and a guide of CPCA members supporting the important work done to sustain a longstanding and viable Canadian industry.

Regular Bulletins, Updates, Memoranda and **Press Releases** are sent to CPCA members regularly to ensure they are fully informed and can have direct input on actions taken by CPCA's board, technical committees and staff, making certain the industry is represented when decisions are made.

ANNUAL CONFERENCE

CPCA's conference is held annually with strong business sessions to highlight important industry matters in the Canadian coatings industry. It is an excellent opportunity for members and non-members to get reacquainted and network with those who play an important role in their business and the industry generally.

ANNUAL COATINGS SEMINAR

The annual Canadian Coatings Seminar is brought to you by CPCA's Management Information Committee (MIC), which is comprised of representatives from member companies and staff of ACA and CPCA. MIC meets twice annually, once in Canada and once in the United States, to discuss relevant issues, especially as they relate to statistics and information of importance to the coatings industry.

ANNUAL GENERAL MEETING

The AGM takes place each year at the annual conference, and the CPCA Board of Directors meets four times a year.

MULTI-STAKEHOLDER RELATIONS

CPCA understands that it is not alone on some issues. The association collaborates with many organizations to accurately advocate for industry's needs on a wide range of issues. Moreover, it is important that CPCA listen to what respected stakeholders have to say—whether they be government, industry associations, standards organizations, non-governmental organizations or the public. Effective stakeholder relations require that CPCA consider the views and formally stated positions of others in the context of the concerns and aspirations of the coatings industry.

CEPA INDUSTRY COORDINATING GROUP (ICG)

ICG, comprised of 16 industry associations using chemical products, held extensive multi-stakeholder consultations throughout 2015 on phases 2 and 3 of the Chemicals Management Plan (CMP) on all aspects related to the risk assessment of chemicals in commerce.

CANADIAN MANUFACTURERS COALITION (CMC)

CMC consistently advocates for better legislation and regulations on behalf of the manufacturing industry. Its membership is comprised of 54 industry associations, representing all key industrial sectors across Canada, roughly 100,000 companies and approximately two million people in manufacturing and supporting industries.

CANADIAN ALLIED INDUSTRIES GROUP

Ongoing discussions and sharing of best practices continued with eight industry associations operating in some aspect of the chemical industry.

COALITION FOR EFFECTIVE WASTE REDUCTION IN ONTARIO

The coalition advocates on stewardship issues such as amendments to waste reduction legislation in Ontario, along with 15 other industry associations. Participating associations represent $400 billion in annual revenues in Ontario.

NATIONAL STAKEHOLDER ADVISORY COUNCIL ON CHEMICALS MANAGEMENT

CPCA is one of six national associations, along with government and relevant NGOs, engaged in dialogue on the CMP with two meetings held each year. The November 2015 meeting dealt with the upcoming CMP-3, performance measurement and the report on the Fourth International Conference on Chemicals Management and Chemicals Management post-2020.

INTERNATIONAL PAINT AND PRINTING INK COUNCIL (IPPIC)

This group is comprised of paint and coatings associations representing coatings companies in more than 20 countries. It meets regularly to share information and work with global organizations such as the United Nations (UN), the Organization for Economic Cooperation and Development (OECD) and the International Maritime Organization (IMO).

SUPPORTING CANADIAN MANUFACTURING

Working in concert with allied associations, such as the Canadian Manufacturing Coalition, CPCA continues its advocacy regarding the persistent challenges for Canadian manufacturing. Canada's highly skilled workforce remains an ongoing strength and a competitive advantage for local manufacturers. This status will be challenged in the years ahead by a confluence of factors, such as changing demographics, regulatory alterations, competition from emerging markets, and competition for talent and economic uncertainty. Employers must be prepared for these changes and adapt through investment and workforce innovation.

EVENTS AND INDUSTRY AWARDS

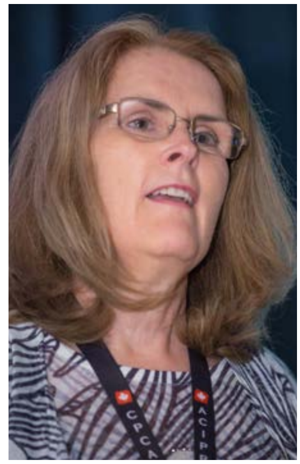
CPCA'S ANNUAL CONFERENCE AND AGM 2015

CPCA held its 102nd annual conference and annual general meeting in the lush region of Niagara-on-the-Lake in May. The "Survival of the Fittest" theme provided the audience value-added offerings, from business sessions that spotlighted the challenges industry faces—cost, quality and service—to technical presentations and a fun-filled gala that honoured deserving individuals who have played an instrumental role in strengthening the paint and coatings industry in Canada.

Tim Vogel, CEO of Cloverdale Paint and CPCA Chair, opened the conference and introduced the business sessions for the day. Mr. Vogel highlighted how it is imperative that CPCA members work with governments, key stakeholders and the general public to represent the best interests of the industry. A strong collaboration amongst these diverse groups ensures success for everyone.

The association invited two post-doctoral chemistry students from Western, **Ryan Guterman** and **Tyler Cuthbert** (shown here with **Gary LeRoux**), as well as **Lauren Starr** (not pictured), Industry Specialist with Western's Science Career Services, to take part in the event. Their inclusion was a testament to how CPCA continues its efforts to foster relationships between industry and academia. It is the universities' best and brightest who will sustain the industry in the future.

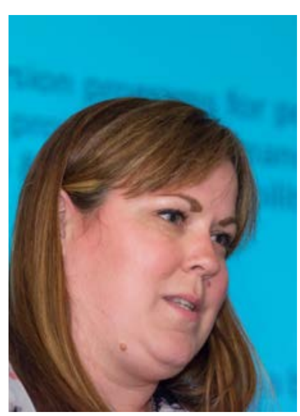
Michael Moffatt, Assistant Professor at Western's Richard Ivey School of Business, economic advisor to Justin Trudeau in 2015 and author of numerous magazine articles, tackled the industry's economic outlook. Dr. Moffatt noted uneven growth in the world economic outlook, with some countries struggling in 2015. The United States had potential for strong growth, helping serve Canada's interests in the manufacturing sector.



The hot topic of the event was sustainability and the crucial role the paint and coatings industry plays. **Jane Sadler Richards**, Managing Director of Network for Business Sustainability (NBS), examined seven sustainable opportunities for Canadian businesses in 2015. According to her, high-sustainability companies significantly outperform low-sustainability companies through the creation of more shareholder wealth and long-term competitive advantages.

The technical aspect of the event spotlighted the current research impacting the plastics, coatings, adhesives, composites, organic electronics and elastomer industries. **Jean Duhamel**, Director of the Institute for Polymer Research at the University of Waterloo, provided insight on what industry and academia are doing to drive research in coatings and to stimulate partnerships for commercialization.

Stewardship and post-consumer paint recycling was another important discussion. **Mark Kurschner** of Product Care gave a status report of program operations in Ontario—an important development since they transitioned to Product Care from Stewardship Ontario in June 2015.



Mary Cummins, Oversight Analyst with Waste Diversion Ontario (WDO), described WDO's role in the ISP application process and noted that as a regulatory body, WDO oversees all of the waste diversion programs in Ontario, facilitates working with a broad base of stakeholders on best practices and new opportunities, and resolves disputes and manages ongoing program challenges.

The new federal legislation for the GHS for Workplace Chemicals was also a topic of interest for the audience. Health Canada's lead official on this file, **Daniel Wolfish**, provided an overview of the program's status and described the vital work done by provinces and territories to ensure its implementation.

For her part, **Mary Papoutsis** from the Ontario Ministry of Labour informed the audience that the province aimed to minimize the negative impacts on business and ensure worker safety. She confirmed that Ontario would fast-track the provincial legislation through the approval process to ensure it is in line with federal legislation.

Star Coaching International President **Lydia Roy**, a partner with the Niagara Institute, offered tips on how to build resilience for business and ways to meet challenges impacting operations. Individuals who run businesses must lead change in operational excellence; human capital; customer relationships; innovation; and corporate brand and reputation.

Joyce Borkhoff, Director of the Chemicals Group at INTERTEK, covered the ABCs of chemicals management and its role in industry. She outlined how the Canada-United States Regulatory Cooperation Council handled the GHS and the requirements imposed by the *Canadian Environmental Protection Act* (CEPA) for chemicals management.

CPCA INDUSTRY AWARDS

Recognition of the important work of industry professionals to advance their companies and the coatings industry generally is paramount to CPCA. At the annual Chair's Dinner, Mr. Vogel recognized important anniversaries of two CPCA members: BASF and Inortech Chimie. BASF, a long-time and valued member of CPCA, celebrated its 150th anniversary. **Dominique Piat-Swat** accepted the acknowledgment on the company's behalf. Inortech Chimie celebrated its 25-year anniversary in 2015. **Jean-Marc Pigeon** accepted the acknowledgment for the company.

Each year, CPCA presents several industry awards honouring members' contributions. CPCA accepts nominations for these awards throughout the year.

Roy Kennedy Outstanding Achievement Award

This award is presented each year to the individual who exemplifies Roy Kennedy's dedication to CPCA, its members and the industry.

CPCA's highest honour went to **Mark Kurschner**, Product Care leader for paint stewardship programs in eight provinces. Mr. Kurschner started practising law before entering the association world. He joined Product Care in the early 2000s, spearheading initiatives that led to improvements in paint stewardship across the country. His efforts in driving Product Care's excellence to the level it has reached nationally led to the program's implementation in Ontario in June. His outreach to other service providers and associations was crucial in assuring Waste Diversion Ontario that Product Care could get the job done.

Industry Achievement Award

This award is presented to an individual or an organization that has demonstrated exceptional achievement in advancing the interests of the industry and/or the association. Achievement may have been exhibited in the areas of long-term sector sustainability, stewardship and environmental practices, and impact on the regulatory framework.

CPCA presented this award to three outstanding individuals in 2015:

PPG's **Robert Fierheller** develops new business and specifications that drive project sales for the company. He joined PPG in 1973, becoming a key contributor to the group's direct retail business, and then moved to the PPG dealer business in Canada. Mr. Fierheller is a vital member of MIC and a lifetime member of the Canadian Professional Sales Association. He also sits on the Ontario Painting Contractors Association's technical committee.

Jim Leamen is a regulatory affairs coordinator with L.V. Lomas, specializing in the industrial sector, Environment Canada regulations, WHMIS (GHS) and NSNR submissions, among others. He is a qualified ISO lead auditor and interprets new regulations that impact L.V. Lomas. Mr. Leamen's valuable experience in the regulatory field has been valuable for CPCA's Health, Safety and Environment Committee and the Paint and Coatings Working Group.

Doug Parsons has amassed a wealth of industry experience. Mr. Parsons has worked as a dealer account representative, sales branch manager, national accounts manager and district stores manager for both the Dealer Accounts and Commercial Stores Division of Glidden/ICI. After taking a break from the paint industry in the 1990s working for an industrial textile firm in Toronto, Doug returned to the paint business in 1999 as the sales and marketing manager for the Beauti-Tone paint brand for Home Hardware Stores Limited. Doug has been involved with many committees for CPCA, some run jointly with the American Coatings Association, served as Chair of the Ontario Paint Association, participated with the Coatings Research Group International and served as Chair for Color Guild International.

Industry Statesman Award

This is awarded to inividuals who have retired but who have made outstanding, long-term contributions to the industry and the association. They are nominated by their peers and unanimously approved by CPCA's Board of Directors.

Bryon Brideau had a colourful career in the industry, with most of his experience gained in R&D, operations, technical services and sales, before retiring. Mr. Brideau started his career in mining before joining Tembec Forest Products in Témiscaming, Quebec, and then moving to Langley, B.C., where he worked for Crown Packaging in Burnaby. He joined BASF in 2000 as the group's western regional manager for paper. Mr. Brideau moved to Fergus, Ontario, in 2004, where he was active in the architectural coatings sphere, selling latex products, additives and other products for BASF across Canada.

DuPont was lucky to have **Brian Edwards** for 38 years. Mr. Edwards, who began his career at DuPont as an entry-level bench chemist with the Performance Coatings Business (now Axalta), was then appointed business director for Performance Coatings from 2002 to 2009. From technical services to sales, marketing, manufacturing and business development in the varied sectors of the industry, Mr. Edwards was active on a global level, working in Canada, the United States, Mexico, as well as Central America, the Caribbean, and South America. He served on the CPCA Board of Directors for several years and was appointed Chair for two years. He is a recipient of the Roy Kennedy Award.

Ian Goodwin's entry into the paint world was in 1966 when he joined Sternson as a summer student. In 1976, he began working for Mobil Chemical Coatings in Toronto. Mr. Goodwin's experience at Mobil was in the coatings development laboratory, technical services and sales. By 1981, he was at Tioxide Canada (now Huntsman Pigments), active in the titanium dioxide industry. His career took him from being a Canadian sales manager to a marketing manager for the Americas.

Martin Ménard, a long-time employee of Celanese Emulsions (formerly known as Nacan Products), was account manager responsible for Canada and strategic accounts in northeastern U.S. An active member of CPCA and AQIP (Quebec Paint Industry Association), including six years as president of AQIP, Mr. Ménard was a key contributor of Eco-Peinture, which promotes and facilitates the recovery of paint residues and its containers for the recycling of recovered paint and improved waste reclamation. Andy Bethea accepted the award on Mr. Ménard's behalf.

ANNUAL COATINGS SEMINAR 2015

CPCA's Management Information Committee delivered a powerful Canadian Coatings Seminar to members, non-members and industry stakeholders in Toronto in October 2015. A strong program featuring excellent presenters allowed for solid exposure and discussion of relevant topics and issues affecting the coatings industry. The audience gained insight into current North American paint and coatings issues and cybersecurity challenges as well as Canadian retail facts and trends. Post-election insights, Beyond the Border initiatives and developments of occupational standards for the supply chain were among the other topics discussed. Keynote speaker **Carlos Gomes**, Senior Economist, Scotiabank, closed the event by providing an economic outlook for Canada and a look at worldwide trends. **Do not miss the Coatings Seminar in 2016**.

CPCA CHRISTMAS LUNCHEON

CPCA was proud to host the 2015 Christmas Luncheon in Toronto on December 3, 2015—a part of a long-standing tradition initiated by TOSCOT and now under CPCA's Coatings Technology Course. CPCA board members and staff of member companies took part in the festivities. The funds went to the Chum Christmas Wish Program to help children in need during the holiday season. It should be noted that $640 was also donated by loyal supporters of CPCA: $500 from supplier member **Brenntag**; $120 from Pete Wilkinson of **CFCM** and $20 from Urs Hentschel of **Pro Form Products**.

TECHNICAL COMMITTEES IN ACTION

HEALTH, SAFETY AND ENVIRONMENT COMMITTEE

This committee reviews, discusses and addresses environmental, health and safety regulatory issues affecting the three sectors of the paint industry: architectural, industrial and automotive. The committee has responsibilities in the following areas:

- *Canadian Environmental Protection Act, 1999* (CEPA 1999)
- Chemical management
- Occupational health and safety
- Government policies, programs regulations and legislation

PAINT AND COATINGS WORKING GROUP (PCWG)

Widely recognized for its effectiveness by both government and industry, this HSE Integrated sub-committee, the Paint and Coatings Working Group (PCWG), leads sector discussions on the Chemical Management Plan's risk assessment of substances related to paint and coatings. Under the HSE Committee, PCWG is comprised of CPCA staff and members, as well as key officials from Health Canada and Environment Canada. The group assembles regularly to exchange detailed sectoral information with Environment Canada and Health Canada in order to increase understanding of the sector's involvement with chemicals and to help develop appropriate risk assessment measures and risk management instruments.

PRODUCT STEWARDSHIP COMMITTEE

This committee is responsible for providing oversight on stewardship programs in the provinces, with jurisdiction over such programs. It also offers the association advice on all other sustainability matters impacting the sector, such as post-consumer paint programs across Canada.

AUTO REFINISHING COUNCIL

This council was formed to put in place several initiatives related to the industry's enhancement of VOC emissions reduction, codes of practice, and use of the best available technology for application of automotive refinishing products. The council will continue to focus on the need to ensure consideration of sound regulations for industry with direct input from member companies doing business in Canada.

AEROSOL COORDINATING SUB-COMMITTEE

Working under the Health, Safety and Environment Committee, CPCA's Aerosol Coordinating Subcommittee's primary focus is on Canadian and North American VOC regulatory issues surrounding industrial and consumer aerosol paint products. This subcommittee relies on the participation and support of members of the American Coatings Association (ACA). The present concerns relate to the development and alignment of suitable risk management approaches and the adoption of new VOC standards for aerosol products in Canada, including those imported into the country.

MANAGEMENT INFORMATION & STATISTICS COMMITTEE

This committee manages the statistical programs and services for the association related to industry trends. It also provides analytical support for government relations and issue management activities. It meets twice annually in concert with the American Coatings Association representatives, member companies and industry experts to address a wide array of important issues for members.

EDUCATION & TRAINING COMMITTEE

The committee provides important input on the training, advice and development needed to help sustain the paint and coatings industry at a time when skills shortages are a major challenge.

QUEBEC PAINT INDUSTRY ASSOCIATION

AQIP (the Quebec Paint Industry Association) includes CPCA member representatives in Quebec, and works closely with CPCA staff to address regional (municipal and provincial) government and business issues in the province. AQIP also partners and receives a wide range of services from several other important active Quebec associations, such as CPEQ (Quebec Employers' Centre for the Environment), CPQ (Conseil du patronat du Québec), representing all sectors of Quebec economic activity, CPSST (Quebec Employers' Centre for OHS), Co-effiScience (Quebec Manpower Development Centre dedicated to the chemical industry workforce) and Eco-Peinture (product stewardship).

GROWING MEMBERSHIP

The costs of achieving positive outcomes are greatly reduced when companies in the paint and coatings industry can act through an association versus working individually. It also ensures member companies have the proper focus and skills to do the necessary work on regulations, industry stewardship, government relations and advocacy. If the industry does not lead, then it follows. Following never leads to positive outcomes for any industry.

Paint companies are now clearly seen as a contributor to positive solutions for industry, public health and the environment. The coatings industry is viewed as a good corporate citizen with respect to the solutions put forward by CPCA on many fronts, as the examples in this publication clearly demonstrate.

Be a part of the solution for your industry.

WHAT CPCA MEMBERS SAY

"I was pleased to see the directors general of Health Canada and Environment Canada open the session describing and complementing our paint industry sector strategy on vinyl acetate as a best practice model for industry and government collaboration. HC and EC noted this as the only time an assessment has been changed after publication so this is a big win that proves the effectiveness of the new CPCA we have built together."

Beauti-Tone Paint and Home Products

"Congratulations for making the industry case so well that the decision was revisited and changed. It really is a testament to the work that can be accomplished."

KelCoatings

"What a fantastic outcome. This represents a ton of confidence in our industry and more specifically our association, its direction and our leadership!"

The Duha Group

SPECIAL THANKS TO MEMBER VOLUNTEERS

The following list recognizes some of those who continue to volunteer their time and effort on important committee work to advance the interests of the industry and their respective companies. **Thank you.**

Gurmukh Banait (PPG Canada) • Peter Barrett (Dampney) • Lorraine Bennett (PPG) • Nancy Bollefer (Behr) • Errol Bonaventura (Inortech) • Dave Bonter (Brenntag) • Eric Bos (Sansin) • Linda Bourgeois (Beauti-Tone) • Brandon Bradford (Jones Blair) • Carlos Bravacino (PPG) • Greg Brown (Brenntag) • André Buisson (Laurentide) • Michael Butler (Behr) • Pierre Chapdelaine (Peintures MF) • Brigitte Charpentier (PPG) • Clara Chin (AkzoNobel) • Mario Clermont (Laurentide) • Bob Coleman (PPG) • Brian Collict (A.R. Monteith) • Chris Connors (Axalta) • Roger Couture (AkzoNobel) • Doug Crabb (Duha) • Barry Cupp (Sherwin-Williams) • David D'abadie (Axalta) • Sarah Dahm (AkzoNobel) • Remy Delisle (PPG) • Nino DiFruscia (Univar) • Andy Doyle (ACA) • Sonia Dufresne (Inortech) • Lawrence Durante (Sherwin-Williams) • Stuart Eaton (Cloverdale Paint) • Pamela Falcone (Benjamin Moore) • Wayne Fast (PPG) • Dan Forestiere (Sherwin-Williams) • Margie M. Fritz (PPG) • Tim Gallant (Sherwin-Williams) • Ravi Ganti (Valspar) • Jim Gasper (DSM) • Isabelle Gélinas (Laurentide) • Pat Gieske (Valspar) • Terri Goulding (Beauti-Tone) • Edith Grashik (Henry) • Kristy Groth (Hempel) • Luc Guillemette (Laurentide) • Michelle Harris-Bailey (L.V. Lomas) • Gareth Hayfield (Farrow & Ball) • Susan Hignet (PPG) • Nancy Houle (BASF) • David Huettner (Behr) • Bob Israel (Valspar) • Mike Jacobs (Yenkin-Majestic) • Brent Jamieson (Axalta) • Paul Jaworski (Andicor) • Mario Jean (Laurentide) • Laura Johnston (Axalta) • Jim Kantola (PPG) • Alison Keane (ACA) • Sharon Kelly (KelCoatings) • Aissa Kelouche (Peintures Micca) • Tim Knapp (Sherwin-Williams) • Glen Knowles (Sherwin-Williams) • Mike Koss (PPG) • Jon Kuch (Behr) • Tuija Laughlen (BASF) • Esther Lawrence (BASF) • Jim Leamen (L.V. Lomas) • Ed Linton (Cloverdale Paint) • James Mackinnon (Sansin) • Grace Manarang-Pena (Dominion Colour) • Elizabeth McMeekin (PPG) • Emanuele Morello (Peintures MF) • Jean-Baptiste Morenta (Inortech) • Marcel Morin (AkzoNobel) • Pierre Morin (Celanese) • Pierre Morin (Celanese) • Helen Mullet (Benjamin Moore) • Ron Nakamura (PPG) • Darrin Noble (Home Hardware) • Sheri Oberle (AkzoNobel) • Doug Parsons (Beauti-Tone) • Gregg Parsons (L.V. Lomas) • Kamal Pawan (Brenntag) • Jean-Marc Pigeon (Inortech) • Al Pliodzinskas (Hempel) • Richard Posatiere (Sherwin-Williams) • Whitney Randall (Henry) • Vince Rea (PPG) • Mary Redmond (Valspar) • Bill Reid (Sherwin-Williams) • Paulus Reynolds (Farrow & Ball) • Patrick Rodrigue (Peintures Micca) • Vanita Rodriguez (Benjamin Moore) • Rebecca Saxena (Rust-Oleum) • Dave Scandolo (Brenntag) • Dean Scobie (Farrow & Ball) • John Scofield (Axalta) • Ian Seunarine (Duha) • Richard Snyder (AkzoNobel) • Laurie Soles (PPG) • Heather Spratt (PPG Canada) • Richard St-Onge (Peintures MF) • Michele Stauffer (BASF) • Judy Stevens (Chromaflo) • Sherry Stookey (Valspar) • Terry Sutherland (PPG) • Stacey-Ann Taylor (Henry) • Richard Teale (Farrow & Ball) • Ed Thompson (L.V. Lomas) • Richard Tremblay (Benjamin Moore) • Gino Turcotte (L.V. Lomas) • Bruce Varner (Rust-Oleum) • Lesley Varty (Farrow & Ball) • Fred Veghelyi (OPC Polymers) • Mark Vincent (Dominion Colour) • Tim Vogel (Cloverdale Paint) • Dave T. Warburton (Axalta) • Nancy Wason (Bayer) • Barry Weissman (Benjamin Moore) • Josh Wiwcharyk (Loop Paint) • Michael Wolfe (Emcochem) • Jennifer Wolfenden (Benjamin Moore) • Steve Wolinsky (Rust-Oleum) • Ray Yesh (AkzoNobel) • Katherine Zesses (AkzoNobel) • Luciano Zottig (Laurentide)

GLOSSARY OF TERMS

2-BE	2-Butoxyethanol

A

ACA	American Coatings Association
ACC	American Chemistry Council
ADM	Assistant Deputy Minister
AMPs	Administrative Monetary Policies
AQIP	Association Québécoise de l'industrie de la peinture

C

CAIG	Chemical & Allied Industries Group
CARB	California Air Resources Board
CAS#	Chemical Abstracts Service number
CBI	Confidential Business Information
CBP	U.S. Customs and Border Protection
CBSA	Canada Border Services Agency
CCMTA	Canadian Council of Motor Transport Administrators
CCOHS	Canadian Centre for Occupational Health and Safety
CEPA	*Canadian Environmental Protection Act*
CEPE	European Council of Paint, Printing Inks, Artists' Colours Industry
CFIA	Canadian Food Inspection Agency
CFTA	Canada Free Trade Agreement
CIAC	Chemistry Industry Association of Canada
CMC	Canadian Manufacturing Coalition
CMEA	Canadian Manufacturers & Exporters Association
CMP	Chemicals Management Plan
CPSC	Consumer Product Safety Commission
CSA	Canadian Standards Association
CSB	U.S. Chemical Safety Board
CTA	Canadian Trucking Alliance

D

DG	Director General
DM	Deputy Minister
DSAR	Draft Screening Assessment Report
DSL	*Domestic Substances List*

E

ECHA	European Chemicals Agency
EPA	U.S. Environmental Protection Agency
ESDs	Emission Scenario Documents

F

FDA	U.S. Food and Drug Administration
FSAR	Final Screening Assessment Report

G

GHGs	Greenhouse Gases
GHS	Globally Harmonized System of Classification and Labelling of Chemicals

H

HC	Health Canada
HCS	Hazard Communication Standard
HPR	Hazardous Products Regulations
HSE	Health, Safety and Environment

I

ICG	Industry Coordinating Group

L

LNG	Liquefied Natural Gas

M

MEKO	2-Butanone oxime
MIC	Management Information Committee of CPCA
MHSW	Municipal Hazardous or Special Waste
MOE	Ministry of Environment
MOU	Memorandum of Understanding
MP	Member of Parliament
MPP	Member of Provincial Parliament
MSDS	Material Safety Data Sheet

N

NAC-CMP	National Advisory Council on Chemicals Management Plan
NAFTA	North American Free Trade Agreement
NAICS	North American Industry Classification System
NDP	New Democratic Party
NDSL	Non-domestic Substances List
NGO	Non-governmental Organization
NOI	Notice of Intent
NPRI	National Pollutant Release Inventory
NSACB	New Substances Assessment and Control Bureau
NSC	National Safety Code

O

OECD	Organisation of Economic Cooperation and Development
OPA	Ontario Paint Association
OSHA	U.S. Occupational Safety and Health Administration

P

PCA	Product Care Association
PCPA	*Pest Control Products Act*
PCWG	Paint and Coatings Working Group (CPCA Committee)
PMRA	Pest Management Regulatory Agency
PS	Parliamentary Secretary
PSB	Product Safety Bureau
PSL 1 or 2	Priority Substances List 1 or 2

R

RA	Risk Assessment
RCC	Regulatory Cooperation Council
RCC	Retail Council of Canada
RCO	Recycling Council of Canada
RIAS	Regulatory Impact Analysis Statement
RM	Risk Management

S

SDS	Safety Data Sheets
SNAc	Significant New Activity
SNUR	Significant New Use Rule

T

TSCA	*Toxic Substances Control Act* (U.S.)

U

UNEP	United Nations Environment Program

V

VOC	Volatile Organic Compound

W

WDA	*Waste Diversion Act*
WDO	Waste Diversion Ontario
WHMIS	Workplace Hazardous Materials Information System
WHO	World Health Organization
WSIB	Workplace Safety and Insurance Board
WWG	WHMIS Working Group

2016

MEMBER **DIRECTORY**

RÉPERTOIRE DES MEMBRES

Phone / Téléphone
Fax / Télécopieur
Web / Site internet
Facebook
Twitter

MANUFACTURER MEMBERS
MEMBRES **FABRICANTS**

Akzo Nobel Wood Coatings Limited
155 Rose Glen Road
Port Hope, Ontario L1A 3V6
905-885-6388
905-885-7587
www.akzonobel.com/wood

A.R. Monteith
2615 Wharton Glen Avenue
Mississauga, Ontario L4X 2B1
905-270-0311
Toll-free: 877 276 4657
905-270-0160
www.armonteith.com

Axalta Coating Systems
(formerly E.I. DuPont Canada)
408 Fairall Street
Ajax, Ontario L1S 1R6
905-619-6013
905-619-6016
www.axaltacs.com
@axalta

Baolijia Chemical Co. Ltd.
Building 6828, Daye Road
Jinhui Town, Fengxian District
Shanghai, China
86-21-31167911
www.en.baolijia.com.cn

BASF Canada Inc.
100 Milverton Drive
Mississauga, Ontario L5R 4H1
289-360-6111
Toll-Free: 1-866-485-BASF (2273)
289-360-6000
www.basf.com/group/corporate/ca/en_GB/
@basfcanada

Behr Process Corporation
3400 W. Segerstrom Ave.
Santa Ana, California USA 92704
714-545-7101
714-241-1002

800-661-1591
403-273-1128
www.behr.com/consumer_ca/home
www.facebook.com/BehrPaint
@behrpaint

Benjamin Moore & Co. Limited
9393 St-Michel Boulevard
Montreal, Quebec H1Z 3H3
514-321-3330
514-321-7382
www.benjaminmoore.com
www.facebook.com/benjaminmoorepaints
@BenMoorePro

Cloverdale Paint Inc.
400-2630 Croydon Drive
Surrey, British Columbia V3Z 6T3
604-596-6261
www.cloverdalepaint.com
www.facebook.com/officialcloverdalepaint#
@CloverdalePaint

Dampney Company, Inc.
85 Paris Street
Everett, Massachusetts USA 02149
617-389-2805
Toll-free: 800-537-7023
617-389-0484
www.dampney.com
www.facebook.com/highheatpaint

Farrow & Ball Canada Ltd.
310 Judson Street
Toronto, Ontario M8Z 5T6
416-253-1882
845-369-4913
www.farrow-ball.com
www.facebook.com/farrowball
@farrowandball

Hempel Canada Inc.
111 – 19097, 26th Avenue
Surrey, British Columbia V3S 3V7
604-536-4275
Toll-free: 800-661-3201
604-536-4375
www.hempel.com

Henry Company
336 Cold Stream Road, Building #7
Kimberton, Pennsylvania USA 19442
484-923-2217
www.henry.com
www.facebook.com/pages/Henry-Company/
@TheHenryCompany

Home Hardware Stores Limited
Beauti-Tone Paint & Home Products
6 Brian Drive
Burford, Ontario N0E 1A0
519-449-2441
519-449-5789
www.homehardware.ca
www.facebook.com/homehardwarestores
@home_hardware

ICA North America
169 Main Street
West Lorne, Ontario N0L 2P0
519-768-0732
519-768-0733
www.icaamerica.biz
www.facebook.com/icanorthamerica
@icanortham

John E. Goudey Manufacturing
21 Primrose Avenue
Toronto, Ontario M6H 3V1
416-531-4669
Toll-free: 800-588-7449
416-531-5509
www.goudeymfg.com

KelCoatings Limited
3300 White Oak Road
London, Ontario N6E 1L8
519-681-1140
Toll-free: 800-265-4653
519-681-4263
www.kelcoatings.com

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Product Care Association
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