# PaintCare® Program Embodies Industry Commitment to Sustainability


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When a customer buys a gallon of architectural paint, the paint manufacturer is hoping that all of that paint will be used. Unfortunately, that often is not the case, and disposing of that left-over paint results in a huge cost and resource drain for local governments. That will not be an issue any longer in Oregon, and soon will not be in California, Connecticut, and Rhode Island. Oregon successfully implemented the American Coatings Association's (ACA) PaintCare® program in July 2010. California is gearing up for its start in October of this year, and Connecticut and Rhode Island will be following in 2013 and 2014, respectively.

PaintCare is the culmination of several years of joint efforts to identify the best solution for managing the recovery of unwanted, leftover architectural paint for reuse, recycling, energy recovery, or safe disposal. Discussions began in 2003, when the Product Stewardship Institute (PSI), which had identified post consumer paint as a strong candidate for a recycling program, initiated a national dialogue. The "Paint Product Stewardship Initiative" (PPSI) involved representatives from the paint industry, state and local governments, the Environmental Protection Agency (EPA), recyclers, and retailers, among others.

In 2005, the paint industry committed to a plan for gathering additional information on ways to minimize the amount of leftover paint through consumer education, on best practices for running a collection and recycling program, and on ways to do so cost-effectively. By late 2007, the coatings industry, through the ACA [then the National Paint and Coatings Association (NPCA)] was ready to move forward with a program and signed a PPSI Memorandum of Understanding (MOU) in anticipation of the establishment of a nationally coordinated system for managing post-consumer paint.

A final MOU was signed in 2008 in which the association committed to implementing a pilot program in Minnesota. Unfortunately, the state's governor did not approve the program, so the PaintCare pilot moved to Oregon. It was implemented there in July 2010 as the first-ever paint stewardship program in the United States, and has, by all accounts, been a real success.

In the first 12 months, PaintCare®, a new non profit association incorporated to focus on the needs of this program that fall outside of ACA's purview, established 100 permanent collection sites and collected approximately 470,000 gallons of paint, with virtually all of it going to recycling or beneficial reuse, and 47 tons of plastic pails and 65 tons of metal cans that were recycled. In addition, $4 million was raised, and, of that. $3,301,977 was spent on collection, transportation. processing and recycling of leftover paint, education and outreach, and administrative costs (just 17%). Furthermore, state and municipal governments saved money. The Portland Metro government alone, for example, saved over $1 million.

A critical component to this program is the fact that it is managed by industry. The Oregon law specifically enables the industry to implement PaintCare, provides for a level playing field among manufacturers and retailers, and establishes a sustainable financing system.

The program is funded through a paint stewardship assessment called the PaintCare Recovery Fee—a fee added to the purchase price of architectural paint. Paid to PaintCare by paint manufacturers, this fee is then added to the wholesale and retail purchase price of architectural paint. The cost ($0.35 on small containers, $0.75 on gallons, and $1.60 on five-gallon containers) is charged to the consumer at the time of sale. Retailers may choose to show the PaintCare Recovery Fee as a separate line item on their customer receipts. PaintCare encourages this approach to ensure transparency, and many stores in the Oregon program choose to do so to educate the consumer about the PaintCare program and to explain their price increase.

The fees fund the design and implementation of the program, including the development of stewardship plans in coordination with state agencies; establishing an appropriate collection infrastructure; engaging retailers, local governments, and consumers to build support and utilize the program: developing marketing materials targeted to specific audiences; and running the programs once they are implemented. ACA, in turn, continues to fund the legislative efforts behind the program, including legislative drafting, identifying bill sponsors, gaining the support of legislators and other stakeholders in the different states, and hiring in state lobbyists to shepherd bills through the various state systems.

"PaintCare is one of the highest priority programs of the ACA," states J. Andrew Doyle, president and CEO of the association. "One of the aspects of our mission statement is to provide programs that support environmental and product stewardship. PaintCare is a tangible sustainability program that demonstrates the true commitment of the paint industry to practice extended producer responsibility (EPR)."

The perception outside of the industry has been very positive, as well. One clear example of the strong impression the program is making can be found in the experience of PaintCare's executive director, Marjaneh Zarrehparvar. She was so impressed with the accomplishments in Oregon and the sincerity of the paint industry to introduce an effective program that would make a difference, that she left her position with a municipal government in California, where she was advocating for real change in this area, to join PaintCare. "I saw firsthand how serious the need is for a paint recycling program. I believe that the industry, through PaintCare, can successfully address those needs, and do so in an efficient and cost-effective manner that avoids burdensome and patchwork regulations within and between states."

Zarrehparvar is busy preparing for implementation of PaintCare in California in October. While the scale of the program will be much bigger than in Oregon (9- 10 times the size), it is expected to be just as successful. The existing 100+ county/municipal waste collection sites will be incorporated into the program as drop-off locations along with an additional 500 or so retail stores. Activities are currently focused on communicating with all of the participants in the program—the local governments, retailers, consumers (including trade painters, contractors, and the general public), and those few small or regional manufacturers that are not ACA members and may not yet be aware of PaintCare.

Such effective communication in advance of the PaintCare implementation in Oregon was a critical factor in the success of the program, according to Steve Dearborn, president and CEO of Miller Paint, an Oregon paint manufacturer, retailer (with 12–14 drop-off locations), and seller of a brand of recycled paint produced by Metro Paint in Portland. "PaintCare was implemented very smoothly, and in fact, more smoothly than many expected. The extensive outreach efforts that ACA and PaintCare took to educate contractors, manufacturers, retailers, and consumers had a huge impact and was a key factor in that success," observes Dearborn. "It was vital that contractors learned of the program well before its inception, because they place bids for projects six to nine months in advance, and needed to be aware of the new fee per gallon in order to be able to pass it on to their customers. It was equally important that all manufacturers and retailers were on board to ensure that everyone was charging the same fee. Consumers, of course, needed to be made aware that the fee is not a tax, but indeed a charge for covering the cost of paint recycling, which is being managed by a nonprofit organization."

His view of the program, as a result, is that it has been a very positive experience for Miller Paint, the industry overall, and consumers. As a retailer in particular, serving as a collection point has been very beneficial, because many people come into those stores that might not otherwise have done so. Customers also appreciate the value of the service provided. Sales of the company's recycled paint are also increasing, which may very well be due to the fact the many more people are now aware of the availability of such products.

While interest in recycled paint is growing, the market will only support a certain level of recycled product sales. Therefore, there is a need to identify new applications for unused, left-over paint other than paint-to-paint recycling. "Fortunately, there is a lot of exciting research and development work being undertaken to find new end uses for the paint collected through the PaintCare program," Zarrehparvar remarks. For example, one recycler in California—Amazon Environmental—has found that any returned paint that is not suitable for recycling (sludge) can be processed to make an additive for the production of cement, according to Robert Wendoll, the director of environmental affairs for Dunn-Edwards Paints.

Dunn-Edwards is a California-based company that is looking forward to the introduction of PaintCare in the state. Wendoll has participated in the evolution of PaintCare since the first meetings with the PSI. "Product Stewardship, or EPR, is a concept whose time has come. The industry has recognized that it must take responsibility, and through PaintCare it has developed an efficient and cost-effective system for managing unused paint. Not only will everyone in California—from consumers to retailers and manufacturers to local governments—benefit from the program, but the environment will too, through resource conservation."

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> —Alison Keane, ACA Vice President of Government Affairs

He recognizes that the size of California, and thus the PaintCare program that will be required in the state, is a bit daunting. As in Oregon, however, an extensive communication and marketing program is being implemented to educate retailers and consumers. Representatives from both ACA and PaintCare are working closely with all of the parties involved to ensure that everyone participates, and that the necessary mechanisms are in place for collection and hauling the returned paint and the charging, collecting, and ultimately, transmittal of the fee to PaintCare.

"With over 95% of our paint sold in our own retail stores, we fully expect to participate as a collector at many of those stores. I anticipate that collections will be very high initially, because there is significant pent-up demand for a paint recycling service. A lot of people will get rid of all of the paint (for free in most cases) that they have been storing for years because there have been few places to take it. After a while, though, a lower steady state will be established, and it may even be that costs are reduced, as happened with the program in Canada."

Robert Stetson, director of Risk Management for California-based Kelly-Moore Paints, is also expecting the same success in his state, where the company has about 90 stores, as has been achieved in Oregon, although it may take a little longer to reach full implementation simply due to the large size of the state. He adds that education of small retailers will be very important. They may need to purchase new or upgrade existing point-of-sale software so that they can properly manage the collected PaintCare fees and make sure they get properly transferred. Here again, he notes that ACA and PaintCare are very good at communicating with all stakeholders, and thus expects that there should not be any real significant issues.

"PaintCare is a very good program. We take product stewardship very seriously, and this system for collecting and recycling used architectural paint has all the necessary components for a successful product stewardship initiative. It is working very well in Oregon, and, as a result, has clearly been demonstrated to be a great model for implementation in California and other states as well. Our hope is that, once the program in California is up and running, more states will recognize the advantages of the system and look to develop PaintCare programs of their own."

Until more states implement PaintCare, in fact, the states that have will need to deal with cross-border purchase issues. For example, Portland, Oregon is very close to the border with Washington, and some painting contractors work in both states. In Oregon they are paying the PaintCare fee, but not in Washington. There is no immediate solution, particularly if it is easy to cross the state line and buy paint where there is no fee. "We are very happy with the results of PaintCare in Oregon. It can only get even better, however, if neighboring states get on board with the program," Dearborn comments. ACA is currently working on legislation in the state of Washington.

The job of working with individual state legislators and stakeholders falls on the shoulders of Alison Keane, ACA's vice president of government affairs. First, though, she must identify which states will be likely to adopt a PaintCare program. Unfortunately, there are state governments that are completely against any programs that include a new fee placed on the consumer, regardless of the benefits of the program. Fortunately, however, there are many that do realize that the current situation is untenable, and an efficient and cost-effective recycling program brings measurable advantages. States with potential for passing PaintCare legislation include New York, Washington, Illinois, Texas, Vermont, Maine, and Minnesota. "Of course, ACA will work with any state that is interested in PaintCare. Our goal is to spread the program across the country and get similar initiatives implemented in every state, so that manufacturers and retailers can work within one uniform, national system." Keane says.

In fact, Doyle expects that, for many years to come, PaintCare will be introduced into one to three states each year. "We are very proud of the work that has been completed so far, but recognize that there is more to do. ACA and the paint industry have created an excellent program, and I fully expect that it will continue to perform at an outstanding level and accomplish much more in the future." Concludes Keane: "PaintCare is the largest program that the ACA has ever spearheaded. We have taken on this challenge because the paint industry is committed to taking responsibility for the sustainability of its products. We have only begun, and are excited to expand PaintCare throughout the country."