

IMAGE LINE

June 2007



Mission Statement:

To provide a forum for leadership to ensure the future health of the imaging trade by fostering the highest quality of standards, ethics and practices

From garbage to golf

Quite the coincidence: CITA plans its first environmental seminar, focusing on recycling and waste management, and the day before it is held, the Ontario government announces a waste diversion program which eventually will include cameras.

Not that the other provinces are twiddling their thumbs. Alberta instituted its program in 2005, British Columbia is expected to launch its program this summer, while Nova Scotia and Quebec are currently working on theirs.

This province-by-province development of “end-of-life” programs can be a problem, an administration and expense nightmare for manufacturers and distributors if there is no harmony among the programs.

Frances Edmonds, Director of Environment Programs for HP Canada, and the first speaker at the CITA conference, gave an overview of the electronic waste programs in Canada. She noted Environment Canada did a study on electronic waste seven years ago, and three companies – Dell, HP and IBM – were the instigators for the creation of Electronic Product Stewardship Canada, designed to help ensure harmonized programs Canada-wide.

EPS Canada’s website states the

organization “is developing a national electronics end-of-life program in Canada. As a not-for-profit organization, EPS Canada will work with an array of partners and stakeholders to design, promote and implement sustainable solutions for Canada’s

electronic waste problem.”

Joining the three companies were Apple, Brother, Canon, Epson, Hitachi, Lexmark, LG, Panasonic, Sanyo, Sharp, Sony, Thomson, and Toshiba. The organization was created through the joint efforts of the Information Technology Association of Canada (ITAC) and Electro-Federation Canada (EFC) – the latter organization also assisting CITA.

“These industry leaders,” the website continues, “are aware of both



Frances Edmonds, Director of Environment Programs, HP Canada.

A panel of industry representatives — Nick Aubry, Sony; Greg Davis, Canon; Rosemary Mandatori, Kodak; Sean DeVries, Panasonic; Yasmeen Khan, Fuji; as well as speakers Edmonds and Day — answered questions following the presentations.



the pressures on municipalities for landfill management and the environmental necessity to handle the potentially hazardous content of electronics products and reuse the valuable resources they contain. EPS Canada was created to work with both industry and government to develop a flexible, workable Canadian solution.”

In the U.S., says Edmonds, end-of-life programs are government driven, regulated and managed. Here in Canada, industry has been asked to develop them.

In Alberta, there’s an environmental end-of-life handling fee for each major electronics product line, added at retail. For example, the fee for each printer is \$8, for PCs it’s \$10, monitors \$12, and \$15 to \$45 for TVs.

The newly-announced Ontario program initially will target desktop and notebook computers, monitors, desktop printers and TVs. In the second phase of the program, cameras will join the mix, as will telephones, audio players and recorders, radios and speakers.

According to Edmonds, Ontario’s initial list had 50 product categories, an “unwieldy” list, she said.

End-of-life programs are here to stay, Edmonds advised, so be proactive. The cost of such programs is lower if companies are in the driver’s seat. “Voluntary programs are always better.”

When affected companies join the provincial programs, their registration with the programs is basically a contract, and they are agreeing to the fees. The companies will need to

set up their own internal systems for compliance, a situation Edmonds compared to corporate Y2K programs in their scope and impact on every aspect of the corporation. Non-compliance with the program will mean ejection and government fines – all of them hefty, and some involving jail time.

The second speaker at the CITA seminar was Gordon Day, Director of members services for Stewardship Ontario. Stewardship Ontario is Ontario’s first Industry Funding Organization (IFO), created in late 2002 in response to a request from the Ontario Minister of Environment to submit a waste diversion program for Blue Box wastes. Ontario’s Waste Diversion Act requires all companies that introduce packaging and printed material into Ontario’s consumer marketplace (“Stewards”) to share in paying 50 percent of the funding of Ontario’s municipal Blue Box waste diversion programs.

The environment is “hot,” he said, noting it is high on the political agenda as well as of concern to the consumer. While packaging and plastic grocery bags have been drawing a great deal of attention recently, municipal hazardous/special waste (MHSW) such as electronics waste is now being viewed as a responsibility of industry.

The government sets broad targets, he said, and industry self-manages within those regulations.

What’s needed with industry stew-

ardship programs, he continued, is a level playing field, harmonization, accountability of costs, transparency of costs, efficient programs, and industry involvement in governance.

Provincial governments are not actively looking to harmonize their respective programs; industry needs to take the lead in that direction.

Stewardship is here to say, he advised, and industry leaders are getting in front of the programs.

The industry needs to get involved early, noted a panel of industry representatives, before the regulations are set. Industry needs to say to the government, ‘here’s how we can help.’

The government can’t simply turn the keys over completely to industry – that would be political suicide – so “we can’t always get what we want,” noted a Sony of Canada spokesman.

But the message seemed straightforward: Unless industry gets involved – early – in the process, it stands to lose a great deal. It is tough, if not impossible, for each company to go it alone.

Each company involved will need to establish its own internal systems, ensuring it has the manpower to handle its stewardship obligations, audit systems in place, and documentation so the company does not run into difficulties if the key person leaves the company.

[A tip of the hat to Greg Vance, Kodak Canada, for organizing the event.]



Another great golf tourney

What do you have when 80 golfers gather at Nobleton Lakes? Answer: Another great CITA golf tournament. Congrats to Casey Kaczynski and Chris McLean for their first place finish, and thank you to the following companies for their generous



contributions to the Warren Winkie Charity: Apex Publications, Bushnell, Canon, DayMen, Epson, FedEx, Fuji, Gentec, Ernst & Young, marketnews, Maxell, Nikon, Pattison Outdoor, and Pentax.

This year's raised \$4,035 for the Warren Winkie Charity, bringing CITA's grand total of contributions to charity to \$21,615.45 since 1999.

Thanks also go to the Golf Committee, particularly Greg Vance, Glen Sealy, Guy Poirier and also Kent Hatton who made up the signage for the sponsorship holes.

Website makeover

The Board of Directors has announced the association's website is being revamped. The website will include a restricted, board-access-only area, supplier links, and an area for online CITA event registration and payment.

Image Line, beginning with this issue, will be available online only at the website.



The association's new logo.

Flash memory

The Board of Directors continues to work towards getting the major flash memory suppliers onboard for CITA's statistics.

Industry news

Webbsight Imaging Peripherals Inc. is now the Canadian distributor of Cokin brand filters and accessories.

Gentec International has appointed David Bursach Director of Product Marketing, Imaging Technology Division.

DayMen Photo Marketing has been appointed exclusive Canadian distributor of Datacolor colour management software and hardware.

DIGITAL CAMERA SALES STAY RED-HOT, WELL-SURPASSES ANALYSTS EXPECTATIONS

Here is the text of a press release sent out June 20:

Recently the Statistics Committee of the Canadian Imaging Trade Association (CITA) membership held its mid-year review of shipments of Digital Cameras into Canadian Retailers through the first quarter of 2007.

While each of the member companies knew that the category was off to a great start (actually outpacing growth expectations), it became very clear during these discussions just how explosive the category is in terms of unit sales volumes.

The revised expectation for 3.5 Million Total Digital Cameras in 2007 (94% Point and Shoot vs. 6% DSLR); this represents growth of +14% in compact and +30% in DSLR from the respective segments.

"The trend is a good news story, not just for our Industry, but it illustrates how Canadian Consumers have really embraced digital photography, and made it part of their lives" stated Kent Hatton, Chairman of CITA's Statistics Group. "It's a whole new experience and set of behaviour, and this rejuvenated interest is effecting the upgrade path and replacement cycle of equipment and accessories. People are using their camera much more frequently and adding a second and third model to the household."

CITA plans to meet again in November 2007 to review how the year will close (as much as 40% of overall sales happen at retail in November and December combined). However, the early prognostication presents a very healthy outlook.

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IMAGE LINE is published by the
Canadian Imaging Trade Assoc.,
PO Box 71058
570 Mulock Dr.
Newmarket, ON, L3X 1Y8,
(416) 226-2750
cita2@sympatico.ca
www.citacanada.ca

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