

**CORRUGATED STEEL PIPE INSTITUTE  
INSTITUT POUR LES TUYAUX DE TÔLE ONDULÉE**

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**TO: PRODUCT PROMOTION COMMITTEE**

**MEMBERS & Alternates:**

Phil Carroll, Chairman	Atlantic Industries Ltd
Doug Lowry	Armtec
Randy McDonald	Armtec
Janine Yetke	Armtec
Guy Gelinas	ArcelorMittal
Kamran Derayah	ArcelorMittal
Allan Hubbell	ES Hubbell
Bruce Matheson	Frontier Construction Products
Mike Mounts	DOW
Jessica Garrity	DOW
Shane Setter	Ironside
Robert Rohr	Advanced Coil Industries
Ian Berry	Warner Custom Coating
Craig McLaren	Warner Custom Coating
Dave Penny	CSPI

**SUBJECT: Memorandum of PPC Meeting**

Attached for your files is a copy of the Memorandum of the PPC meetings held on June 10<sup>th</sup>, 2013.

Please advise me of any errors or omissions that require correction.

David J. Penny  
Secretary

**CORRUGATED STEEL PIPE INSTITUTE  
PRODUCT PROMOTION COMMITTEE**

**Memorandum of Meeting**

8:30 AM, Monday June 10th, 2013

Attending:

K. MacPherson, M. Wilson	– AIL
K. Young, P. Stenzel, Y. Lesperance, J. Yetke	- Armtec
B. Matheson, D. Matheson	– Frontier
K. Derayeh, G. Gelin	– AMD
M. Mounts	- DOW
B. Rohr	- ACI
S. Setter	- Ironside
D. Penny	– CSPI

**(Action items in BOLD)**

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Opening Remarks:

The meeting convened at 8:30 AM. Chairman Phil Carroll was not able to attend due to the recent death of his father. Our thoughts go out to Phil and his family at this time. D. Penny agreed to chair the meeting and extended his appreciation to Phil for organizing the materials and agenda for the meeting. A special welcome was extended to first time visitors P. Stenzel, Y. Lesperance, J. Yetke and M. Mounts. All attendees gave a brief introduction of themselves.

Memorandum

Memorandums of the Nov. 15<sup>th</sup>, 2012 and Jan 16<sup>th</sup>, 2013 were reviewed and accepted.

CSPI Activities Report

D. Penny reminded the group that a detailed and updated account of activities is available in the 2013 Action Plan in the Member's area of [www.cspi.ca](http://www.cspi.ca). He summarized some highlights of the last six months. These included a Resource Study in which he spoke of the failed Fredonia study for which we declined to pay the last \$17,000. He visited key players in the sector in both Western and Eastern Canada learning that the market is quite large, several more kilometres of road per year than the highway market and dominated by small diameter (<500mm dia.) pipe. In the East more than 90% of this is HDPE while in the West steel maintains a good but shrinking share largely related to distance to plant and shipping. Opportunities exist for steel for larger pipes and open bottom structures particularly as they relate to fish passage. Soleno has installed increased capacity for HDPE in Quebec and NB and ADS/Hancor is threatening increased capacity as they strengthen their position in Canada. Continuation of the study became difficult for CSPI as member companies Soleno and Armtec resisted any discussion. A goal to provide detail market segment pie charts was abandoned leaving all members to determine their own position in this market. The University Program continues to be successful distributing 922 books and presenting to 17 Schools. The Stacked Pools Project which combines polymer coated plate promotion, University research, AISI funding, fish migration and a Lion's Den presentation at the opening session of TAC/ATC is moving ahead nicely. MTQ has accepted Polymer Coated Plate for use in closed bottom and other structures in lighter gages in their standard. Nova Scotia is listening to presentations made re the use of Aluminized and Polymer coated steels in what has become a no steel province. In The Trenches is an electronic magazine that will become the launch platform for our eblasts. To date participation from members has been very disappointing. We hope that a contest with I-pad prize will generate a few stories before the June 15<sup>th</sup> deadline. Building a Case and Risk Management, Polymer Manufacturing and Handling and Ontario Gravity Pipe Guidelines were all discussed in more detail later in the meeting.

### Tonnage & Budget

D.Penny presented a graph showing historical annual tonnage for 2001 through 2012. With figures adjusted in 2011 and 2012 to include an estimate for Canada Culvert the 2011 vs. 2012 total was down 13.6%, while imports were down 35.5%, Aluminized was down 33.3% and Polymer was up 39.6%. Domestic was down only 3.2% suggesting a significant drop in imported galvanized over the previous year. Another chart looking at first quarter results was shown but as several companies are late reporting there was no data to consider. The PPC Budget YTD was reviewed and is in balance to date. Figures appear low vs. 5 Month Budget but as this is more of a simple mathematical division the numbers are not a serious concern this early. Revenues do appear to be low which is largely due to late reporting but may be influenced by the loss of members Canada Culvert and Soleno. K. MacPherson asked how 2013 revenues looked vs. last year at this time. D. Penny did not have the number readily available but reports here that we are short \$39,620 and will **keep a close watch over the next few months as cash flow is tight.**

### Membership

There was discussion about challenges CSPI is facing with respect to the loss of Canada Culvert as a member. Canada Culvert appears to be taking advantage of our efforts without paying for same and in some cases through the continued use of our logo and implied association is making misrepresentation. An attempt to contact P. Cunningham by AMD was inconclusive. It was suggested that we put Canada Culvert on notice of our concerns in writing and outline to them the benefits of membership. B. Rohr suggested that we stay positive **and talk first before letters are written.** Any letters written must illicit a response by a specific date. K.Young presented a concept that our plants become certified by CSPI and that the requirement that materials be supplied from a CSPI certified plant be promoted for inclusion on specifications to instill a higher level of confidence among customers. K.MacPherson suggested that a sub-committee be formed at a later date to investigate this option. Several people said they were familiar with similar arrangements in other industries and agreed to **collect information on the subject.** D.Penny advised that over the years he has been approached by US mills to join CSPI. Following a short discussion this item was forwarded to the Board. The question was raised as to whether plate producers should pay more perhaps on a tonnage basis similar to sheet. The feeling of plate producers is that due to their size they pay a substantial portion overall and additional fees are not warranted now however should Canada Culvert reenter the group we should reopen discussion on this topic.

### In the Trenches

In sub-committee chair D. Lowry's absence D.Penny discussed the plan to produce an online magazine as part of our ongoing eblast program. Participation to date has been poor. We have since advertised to members a contest for stories entered and have provided to them a writing template to minimize time and to ensure capture of sufficient information. If we do not see a reasonable **response by June 28th** that will indicate that this publication can be populated with stories on an ongoing basis we will likely abandon this project and develop a new strategy. Y.Lesperance said that he would like to see more written by D.Penny about the merits of CSPI.

### Government and Public Relations, Dealing with Crisis

K. Derayeh made a presentation describing challenges we face in the press related to alleged failures of CSP and aggressive actions from the OCPA. He reported on recommendations from the sub-committee which includes specialists from AMD on steps to be taken moving forward. This includes a "Build a Case" letter that we have had written in an interview with the Executive Director style. The committee will meet again in the near future to finalize materials and to review the next step on establishing protocol for all members for "When it happens".

### CSA and OGPDPG Update

CSA G401 has passed public review. As Canada Culvert issued a number of questions largely related to plate they were invited to meet with our task force to clarify and correct all issues prior to meetings at CSA. The document is on track and much of the work is paid for by CSPI. Publication is due in early 2014. The final report from AMEC re changes to OGPDPG was received this week. It is generally positive with the highlight that they have adopted CSPI design charts for the pipe selection process.

### Polymer Manufacturing and Handling

M. Mounts made a presentation that addressed some of the issues associated with the manufacture of Trenchcoat. The issues of lock seam damage and spiral rib profile forming were covered in some detail. Both S. Setter and R.Rohr brought their expertise to the discussion. CSPI has prepared a power point presentation on this subject and is available for plant presentations. We all need to make quality product and know how to identify and deal with some of the issues that we face them.

### Committees and Chairs

It was announced on May 3rd that Phil Carroll has asked to step down as Chair of PPC. Phil has held this position for a number of years and much has been accomplished under his leadership. Following a formal nomination process Janine Yetke of Armtec was nominated and unanimously accepted as the new PPC Chairperson.

D. Penny suggested that we consider reinstating our Technical Advisory Committee (TAC). For the last few years technical matters have been handled through task forces under PPC. Following discussion it was decided not to reinstate at this time but to review the matter at the fall meeting.

### Discussion & New Business

J. Yetke lead the meeting at this point. R. Rohr said that we need to discuss a succession plan for D. Penny who announced in the fall his plans to retire in June 2014. This discussion was deferred to the Director's meeting. There was no further new business.

### Adjournment

The meeting adjourned at 11:25 AM. The next PPC meeting is TBA.

David J. Penny  
Secretary