WD-40 Company Technical Center

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California Air Resources Board
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via electronic mail

Subject: Comments on Current Rule Development

Dear Mr. Calavita,

Thank you again for taking the time on July 29, 2020, to speak to us concerning sunsetting the fragrance exemption. Below is a summary of our discussion and the list your requested concerning what formulations would require some effort to assure compliance and proper qualification.

Since your original request in June, we went through every formulation that contains a fragrance and tried to gage the effect of removing the exemption for my company. Some thoughts:

1. Dropping the 2% exemption would cause additional review of every product containing a fragrance to see the compliance effect. Given our past open and productive partnership I decided to spend that time, talent and treasure now and provide you with a real rather than speculative review of the effect of the exemption. This we did on July 29th. Currently WD-40 Company has NO formulation in market that would suffer significant impacts. Whether it is about the actual fragrance percentage in the formula or calculating the percentage of VOCs in the given fragrance to assure compliance, we will be able to comply.

- 2. The Fragrances Industry is subject to numerous safety standards apart from and in addition to the general chemical industry. All fragrances we use will need the additional ingredient review for all new standards placed on them to understand the standard's effect on VOC content. Normally we did not have to have fragrance reviews for VOCs, but with the removal of the exemption, we will. More work, but surly doable.
- 3. As mentioned below, the WD-40 Company does utilize a small amount of fragrance in our product so keeping a 0.5% exemption would alleviate much of the concern going forward.

Concerning other rule changes and updates, I wanted to still comment on other, non-WD-40 Company concerns I have with the full fragrance exemption sunsetting. I also want to list again my companies concerns with the use of Website claims. These comments are below. The WD-40 Company always appreciates the opportunity to provide comments on the California Air Resources Board (CARB) draft proposed amendments to the Consumer Products Rule.

Just to repeat, WD-40 Company is a California company that is the global leader in the manufacturing and selling of Multi-purpose Lubricants. A smaller part of our business are cleaners. Our products are sold across multiple trade channels in 176 countries around the world. WD-40 Company products are used in over 80% of all households in the United States.

WD-40 Company is not commenting on the proposed VOC limits for the product categories being reviewed.

Sunset of the 2% fragrance exemption

CARB staff is proposing to sunset (remove) the 2% fragrance exemption. Removing this long-standing provision could have unintended consequences for product categories not being reviewed in this rulemaking. As CARB has shown, most product categories do not use the full 2% fragrance exemption. However, most products use some amount of fragrance.

As alternative to removing the entire fragrance exemption, CARB should consider maintaining a lower amount of fragrance exemption.

Lowering the fragrance exemption to 0.5% would provide flexibility to the manufacturers and the Fragrance Suppliers.

Manufacturers

WD-40 Company, as a manufacturer, would prefer a lower fragrance exemption as opposed to none for its products. Fragrances are complex compounds. Currently, WD-40 Company uses only a small amount of fragrance in our products. If CARB were to maintain the lower level of fragrance exemption, it would relieve WD-40 Company of the liability to check on this compound.

For the industry, for many of our competitors, if a product total VOC amount is over the limit, then the product would need to be reformulated. This is a significant unintended consequence requiring reformulation and testing for health and safety, stability, performance, customer perception, and production.

Fragrance Suppliers

Fragrance Suppliers routinely must modify the fragrances due to Fragrance Suppliers being subject to various standards/regulations that impact fragrance and compounds in the fragrances. There are two key organizations/mechanisms that establish standards for fragrances and their compounds. These two organizations establish new restrictions/bans on fragrance ingredients which drive continuous fragrance formulation changes requiring substitution and re-modeling to deliver the same olfactive quality and characteristics while removing or reducing the compound ingredients in question. As a result, fragrance houses and finished product companies closely monitor these organizations, with the Fragrance Houses taking the lead to make the necessary fragrance formulation changes to ensure compliance. Removing this exemption completely adds another layer of complexity in the reformulation.

Use of Website Claims

The WD-40 Company cannot at this time support extending the use of claims on their website for Enforcement purposes. The proposed definition by CARB is overly broad and vague. WD-40 Company supports CARB's purpose of providing a level playing field. However too many unanswered questions remain from CARB's proposal. For example, proposed wording from CARB claims whether controlled "directly or indirectly by the company". What does "indirectly" mean? Below are several other outstanding questions.

- 1) Website claims for a product use outside of California. How will CARB treat these claims?
- 2) Customer reviews on a company website for other uses not intended by the company. How will CARB treat these claims?
- 3) Claims put on a Distributors website for a company's product not sanctioned by the company. How will CARB treat these claims?
- 4) Once proper direction is given to industry, and given the complexity of monitoring websites in 50 states, how much time would be given to comply?

The above are the most significant concerns. WD-40 Company will work with CARB to clear up these open issues. WD-40 Company understands CARB's intention to "level the playing field on claims". However as stated above there are too many unanswered questions and the proposed wording is vague as to what the manufacturers responsibilities under this amended provision are.

Summary

The 2% fragrance exemption should not be removed. A new lower level of fragrance exemption would be acceptable. A 0.5% fragrance exemption would be enough for most products. Also, the 0.5% fragrance exemption would allow Fragrance Suppliers room to reformulate. Lastly, the 0.5% fragrance exemption would greatly reduce the further expanded use of VOC's in fragrances and eliminate CARB's concern of this area for VOC growth. Thus, a Win, Win, and Win.

For the expansion of the label definition to include website claims, WD-40 Company cannot support this issue as currently proposed. WD-40 Company would be willing to work with CARB on this issue.

We suggest setting up a call to discuss these issues privately with CARB staff.

Please contact Doug Raymond for questions, comments or to set up a call (440-339-4539 or by email djraymond@reg-resources.com). Thank you for your consideration to these issues and the opportunity to comment.

Respectfully,

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