



ANALYTICAL SERVICES

# STRATEGIC ALLIANCES



It has long been rumored that W. R. Grace Co. was considering buying the Fuller Brush Co. along with Mary Kay Cosmetics and then merge with the Hale Business Systems.





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# *CORPORATE MERGERS*



This mega-corporate entity could be known as  
Hale Mary Fuller Grace.



Proposed merger: Fairchild Electronics and  
Honeywell Computers, to be called.....





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# *CORPORATE MERGERS*



Fairwell Honeychild





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# *CORPORATE MERGERS*



Possible merger: Warner Brothers, Polygraph Records and Keebler -- to be called...





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# *CORPORATE MERGERS*



## Poly-Warner-Cracker





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# *The Environmental Testing Industry Private Sector*



- \$230 Million Annual revenues
- 2500 high tech jobs
- 90 accredited labs



# *The Environmental Testing Industry Private Sector*

- \$230 Million 2003
- \$100 Million 1996
  
- Growth
- Innovation
- Performance Based
- High Volume Routine Testing





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# *The Environmental Testing Industry Private Sector*



- Better
- Faster
- Cheaper



- Federal
  - 5 operational labs, 5 research
  - Long on Equipment, short on staff
- Provincial: Ontario, Quebec, NB
- Municipal
  - Many
  - Small, water quality focus



- Federal
  - Internal Support
  - R & D
    - Ultra low level
    - Endocrine disruptors
  - Enforcement, Legal Services



# *The Environmental Testing Industry Public Sector*

- Provincial: Ontario and Quebec
  - Internal Support
  - Method Development in support of Regulations
  - Accreditation / Licensing



- Canadian Council of Independent Laboratories
  - Industry Trade Association
  - Represents the interests of private sector labs
  - Advocacy
  - Ethics



- Private Labs and Regulators
- Private Labs and Accreditors



- Regulators
  - Primarily Provincial Governments
  - Municipal Sewer Use Bylaws
  - Federal CCME
  
- No Regulations – no work



- Accreditors
  - SCC / CAEAL
  - MENV
    - ISO / EC 17025
  - EWQA (BC drinking water micro only)
    - Standard Methods



- **Accreditors**
  - License to do business
  - Level Playing Field
  - Makes Differentiation Difficult



- Licensors
  - Ontario Drinking Water
  - Alberta Alternate Hydrocarbon Testing
  - ?????



# *Strategic Relationships Regulators*

- With Regulators
  - No Regulations – No Work
  - Technical Input (Success)
    - Unachievable Reg Limits
    - Impractical Methods



# *Strategic Relationships Regulators*

- With Regulators
  - Added Oversight (Costs)
  - Added Administration (Ontario Drinking Water)
  - Competition (Quebec)
  - Unachievable Reg Limits
  - (Less Success)



- Ontario
  - Large, sophisticated Provincial laboratory (LSB)
  - Minimal outsourcing
  - Do not compete
  - Most private sector testing of any Province (2 X BC)



- Ontario
  - Seek public input on proposed legislation once drafted
  - Private labs can comment (as can any other individual)
  - Senior MOE officials do not consider private labs as a critical component of standards development



- Ontario LSB
  - Regular consultation / liaison with private labs (10 years)
  - LSB develops methods, then seeks comments
  - Conflicting priorities
    - Testing, regulation development, licensing. Method development....



- CCIL position
  - Process could be streamlined, improved with private lab input at all stages of the process



- Ontario
  - Increasing regulatory framework
  - Lab licensing by MOE for Drinking Water Testing
    - Unannounced inspections
    - Increased administration
    - Substantial fines for minor infractions



- Ontario
  - LSB responsive, willing to talk and listen
  - Many policy decisions out of LSB control



- CCIL Position
  - Over 30 licensed labs are providing excellent service at superb value
  - The pendulum has swung too far



- British Columbia
  - No Government Lab
  - MWLAP testing outsourced locally by tender



- British Columbia
  - Private labs formally involved in policy / regulation development through stakeholder committees
  - Technical committee develops methods / protocols in support of regulations as directed.  
BCLQAAC



- BCELQAAC technical committee
  - All major private labs
  - EC Laboratory
  - BCCSR
  - Hazardous Waste
  - Consulting Engineer



- BCELQAAC technical committee
  - Write methods
  - Develop performance standards
  - Inform parent committee of technical issues surrounding proposed standards



- BCMWLAP is well served
  - Methods that work, are efficient and are fit for purpose
  - Cost effective lab service (LEPH / HEPH)
- Private Lab community respected and supported



- Accreditation Works!
  - Data quality, data defensibility hugely improved over the past decade
- CAEAL Customer service, responsiveness greatly improved,
  - Regular CCIL liaison, lobbying
  - Rapid PT response



- CCIL Position
  - Accreditation should be required for all testing in support of Regulation
  - Including accreditation for all parameters reported
- All CCIL labs and all labs of any credence are accredited



- Federal
  - Accreditation required for their outsourced work
  - Also for work done on their sites to the parameter level including PT samples
  - Currently CAEAL / SCC
  - 17025 by 17011 accreditor in new draft.



- BC
  - 17025 Accreditation required for their outsourced work
  - Not required for regulatory testing
  - EWQA for DW bacti



- Alberta
  - SCC Accreditation for all regulatory testing
  - Parameter Specific
  - Licensing for Alternate Hydrocarbon Methods
- Saskatchewan and Manitoba
  - Less formal requirements



- Ontario
  - SCC Accreditation for Brownfields testing (Reg 153)
    - Companion Methods / QC Documents
  - SCC / CAEAL Accreditation for Drinking Water



- Ontario
  - SCC / CAEAL Accreditation for Drinking Water
  - License for Drinking Water  
“Accreditation is not enough”
    - Fit for purpose
    - Notification / reporting processes



- Quebec
  - MENV Accreditation Required
    - ISO 17025
    - Matrix specific PT samples
  - Signature of a member of the “Ordre des Chimistes” required.



- Quebec
  - Labs outside Quebec cannot analyze Quebec samples
  - MENV will not accredit labs outside Quebec



- Nova Scotia
  - “Before accepting results of any laboratory, the Minister may require proof of acceptable certification of the laboratory”
  - Policy includes accreditation by SCC or equivalent and PT participation in CAEAL program or equivalent



- New Brunswick, Newfoundland
  - Comparable to NS.
- Prince Edward Island
  - No formal policy



- Canada (except Quebec)
  - SCC is the accreditor
  - CAEAL delivers the program (PT and audit) and recommends to SCC
- Quebec
  - MENV accredits and delivers the program and makes the PT samples



- CAEAL / SCC
  - Internationally recognized, world class program
  - Independent checks and balances
  - CAEAL is a member organization, SCC is independent, non aligned.



- CAEAL / SCC
  - Splitting and forming two independent, competing programs
  - Attempting to force labs to choose
  - Confusion, uncertainty in the private lab community





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# *Accreditation Current Status*



***They are not listening to their  
customers***



- The Delicate Position of CCIL



# *Strategic Relationships Regulators*

- How do we achieve our ends ?
  - Without seeming self serving
  - Without alienating those whose support we need
  - Regulators have the power
  - Private Labs have the capacity



# *Strategic Relationships Regulators*

- Private Labs are
  - An essential cornerstone of regulation delivery
  - Efficient – Great Value
  - Continuously Improving



# *Strategic Relationships Accreditors*

- We need them
  - License to do business
  - Even where not required by Regulators
  - Educated Customers
    - PT Scores
    - Audit results



# *Strategic Relationships Accreditors*

- They Need Us
  - Our Fees are their prime source of Revenue



# *Strategic Relationships Conclusions*

- The private labs must continue to work with both groups
- Only through the mutual respect and cooperation of the labs, regulators and accreditors...
- ...will the people of Canada continue to be protected by a world class testing service

