

Update Wednesday February 25th, 2009

M-REP Communications now represents lawn and tree-care companies in Ontario, Manitoba, Saskatchewan, Alberta and British Columbia. This makes our organization one of the largest in Canada as the voice of the lawn and tree-care industries in government circles. M-REP Communications is embarking on engaging the Federal levels of government that regulate or use the services of the lawn and tree care industries and working with their provincial counterparts. We have opened up discussions with provincial governments that are looking for rational regulations and education surrounding the industries. The cornerstone will be IPM and partnerships with trade organizations that represent different aspects of the industry.

Integrated Pest Management (IPM) is based on "prevention, observation, and intervention" with an overall goal of reducing the use of pesticides during the intervention by using methods that improve efficiency and effectiveness of the products. Having access to different pesticides is crucial; there is a misconception that the goal of IPM is the reduction in the number of different products the professional should have access to. In order for IPM to work properly the professional needs access to all their tools, anything less is ignoring the science and the foundations of IPM.

We have taken the following as the judicious and sensible use of pesticides in conjunction with IPM.

1. The products have to be approved for use by Health Canada
2. The products have to work
3. The products have to be cost effective
4. The methods and uses cannot increase the industries' carbon foot print

This is regardless of the product being organic or synthetic. If you have a choice of products, under these criteria one product will fair better for the client, the business and the environment. The main problem with organics is the increase in the carbon foot print, cost and lack of efficacy.

In Ontario the lawn and tree-care industry has the only government in North America, if not the world, that is trying to reduce employment by reducing the tools of the trade. The Ontario Government's position is based on faulty and fraudulent information provided by individuals and organizations. These problems have been transferred into the current draft rules and regulations for Ontario Cosmetic Pesticide Ban 2008 fuelled by individuals that sell the organic products. This double standard in society and now creeping into the Ministry of the Environment was created by individuals posing as medical

experts that feel they need to impose their personal belief system on society. This is the equivalent to giving a mechanic access to just two or three wrenches and a hammer to fix your car. If the wrenches don't fit use the hammer, keeping in mind the person giving direction does not own the car nor are they a mechanic.

The Ontario Cosmetic Pesticide Ban Act, 2008, only creates a captive market for products that barely have any efficacy. The Ontario Government is trying to force an industry to use products that have a temporary registration with Health Canada, that do not work, that cost more and increase our carbon foot print due to excessive labour and reapplications. This deviates from the premise of the original bill and the Ministry of the Environment's statement of values. Overall Bill C-64 undermines the foundations of the entire industry.

The number of jobs under C-64 will not be a net gain for the industry. Contrary to published reports by activist about Halifax. The number of companies in all of Nova Scotia is around 150. The Stats Canada report they keep referring to reflects a sector that includes lawn care. Activists made claims that the number of companies operating in the Halifax area have increased by 53%. This is a lie by the activists to coop support. The reality is the operational revenue dropped by 40% with most of the 9 companies that operate in the Halifax area and it has taken 5 years to recover from those losses.

The following is using the numbers from the OTRF's 2008 Economic Profile of the Ontario Turfgrass Industry. In Ontario if we see only two thirds of the losses experienced in Halifax (a 25% reduction) gross revenue loss would be around \$315 million, operational and wages would drop over \$144 million and the number of employees would be reduced by at least 5,250. Based on the current trends caused by the uncertainty surrounding C-64 and the banning of the of the industries' domestic market for goods and services the reduction will exceed 80%. This translates into \$1 billion in loss revenue to the industry which will translate into a reduction of \$461 million not spent on operations and equipment due to the loss of 16,800 jobs. We understand the Liberals in Ontario are in support of this.

Feel free to forward this information to your local MPP and ask for a response in writing. In addition ask your local MPP if products other than pesticides work so well why was there is an exemption for every Ontario Government Agency and why did municipalities that pass bans exempting themselves?

The only reason for these losses is the Ministry of the Environment failed in their due diligence to verify the information posed by activist groups. In addition members of the Ontario Government already feel they have met with representatives from the industry. These representatives have indicated

support for the ban. It is M-REP Communications job to undue the damage at this point.

Last week the Ontario Ombudsman contacted M-REP Communications in reference to a complaint file in August of 2008. We are in the process of providing additional information to the Ombudsman on our finding surrounding Ontario Cosmetic Pesticide Ban Act 2008. We will not be holding anything back as we describe the lack of professionalism, due diligence, fiduciary responsibility, or general ability to understand the difference between a medical professional and a fraud. Everything we submit will be supported by fact and backed by industry members that are concerned about their future.

Many of you have seen a response from the Environment Commissioner's office. Gord Miller's agency is aware we are intending to make an "Application for Review" once the final regulations are passed. Ontario's Pesticide Ban Act 2008 will damage the urban and rural landscapes by introducing substandard products and increasing the carbon foot print of the methods imposed on the industry. The ban has no regard for science and the Ministry needs to be held accountable for letting this farce present itself as fact based decision making.

In addition some individual companies and organizations are filing complaints with the Federal Competition Bureau. M-REP Communications has already filed a complaint last year and would encourage everyone else to follow suit. "We are using the Federal Competition Act to address the artificial market created for some products."

As to the pending legal course of action we are taking through the courts we can not comment at this point. We do not want to interfere with the current process or jeopardize any pending decisions.

When we are able to, we will provide a press release and handle the media in a professional manor like in the example below.

<http://www.youtube.com/watch?v=rI1D448rCCo>

Take five minutes and look up the background on the doctor in the report (Dr. Daniel Keyes).

Look forward to additional updates next week.

Sincerely,

Jeffrey Lowes
Director of Government & Industrial Relations
M-REP Communications