

Outdoor Power Equipment Institute

QUARTERLY REPORT
March 2022

Powering good.

MARCH MEETING MADNESS AT OPEI

Spring has been busy at the Outdoor Power Equipment Institute, with our major policy and technical committees meeting in person.

In recent weeks, members from across the country have gathered at our headquarters building to participate in our Engines and Fuels, Legal and Regulatory Compliance, Market Statistics, Battery/Electric Products, Handheld, and individual U.S. and international standards committees.

Members and staff also hosted representatives from the Consumer Product Safety Commission, and our Board of Directors will meet here later this month.

These meetings are vital, as they allow OPEI members to address key issues facing the industry. We are expecting challenges with the CPSC on mower regulations, and preparing for real-world transitions with California's ban on small-engine equipment, and potential follow-on bills in other jurisdictions.

These regulations are of extraordinary importance to the industry, so we are coordinating a session on "The California Equation" at Equip Exposition to help attendees better understand what these shifts mean for their business.

Equip Exposition (the former GIE+EXPO), held Oct. 18-21 in Louisville, KY, is the best place to see and try the equipment California is mandating.



Spring has been busy at OPEI headquarters, with meetings of OPEI's major policy and technical committees, as well as the CPSC and Board of Directors.

In addition to broader education opportunities, the trade-show schedule has expanded, opening Tuesday, Oct. 18, with a Welcome Reception at Louisville Slugger Field. As you make plans to join us in Louisville, be sure to book your hotel early.

Also this year, we're looking forward to hosting OPEI members at our Annual Meeting, slated for June 21-23 in San Juan. Registration and our hotel block are open. I hope to see you here in Alexandria, San Juan, and Louisville soon. — Kris Kiser

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REGISTRATION AND HOTEL BLOCK OPEN FOR 2022 ANNUAL MEETING IN SAN JUAN

OPEI has opened registration for the 2022 Annual Meeting at Puerto Rico's Fairmont El San Juan. The event, set for June 21-23, is open to all OPEI members, and offers attendees a slate of award-winning speakers, plenty of time for networking, and the annual OPEI Louisville Classic golf scramble.

A full copy of the program and schedule is available at www.opei.org/sanjuan.

Keynote speakers this year include NBC security analyst Clint Watts, a Russia disinformation specialist and former FBI counterterrorism special agent. Watts is also a Distinguished Research Fellow at the Foreign Policy Research Institute and Fellow at the Alliance for Securing Democracy.

Watts is a former U.S. Army infantry officer and analyst with the U.S. Intelligence Community and U.S. Special Operations Command. His research and writing focus on terrorism, counterterrorism, social media influence, and Russian disinformation.

From 2014-2016, Watts worked with a team to track and model the rise of Russian influence operations via social media leading up to the U.S. presidential election of 2016.

Other keynotes include Don Rheem, CEO of E3 Solutions, Economist Alan Beaulieu, and technologist Samantha Radocchia.

The room block at our host hotel, the Fairmont El San Juan, is now open with a room rate of \$240. The hotel is minutes from the airport, and fronts Isla Verde Beach. Hotel reservations can be made online with the Fairmont El San Juan directly or by calling (787) 791-1000.

Golfers of all skill levels are welcome to the OPEI Louisville Golf Classic best ball scramble at the Bahia Beach course. Fifteen of its holes border water while also presenting views of the famous El Yunque Rain Forest.



Beaulieu



Radocchia

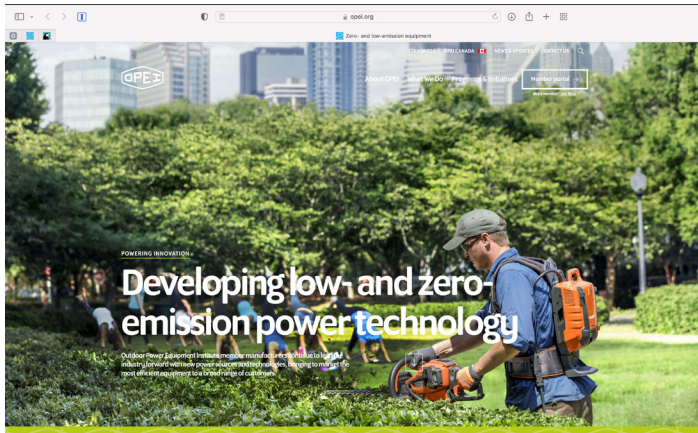


Rheem



Watts





OPEI ENGAGES ON ENGINE RESTRICTIONS

Following California's recent small engine rulemaking, the industry is seeing unprecedented state and local efforts to restrict or ban engine-powered equipment. Since December, eight states have introduced bills to prohibit small engine gas-powered equipment.

The bills focus on banning gas-powered leaf blowers, banning all gas-powered "lawn care" equipment, and/or developing incentive programs to support transitions to zero-emissions equipment. OPEI is engaging through its committees to respond and advocate for members.

OPEI is working to assist those landscape contractors, outdoor power equipment dealers, and other small businesses impacted to communicate to legislators and regulators the facts about power source market share, cost and technology feasibility challenges, and regulatory requirements, with a focus on consistent and commonsense public policy. This messaging is available at **www.opei.org/zero-emission-equipment**.

Restriction or bans of power sources, such as small engines, usually fail to recognize the significant market penetration of battery/electric power electric equipment. In 2021 battery/electric equipment accounted for more than 56% of all U.S. shipments. However, broad power source options are needed to meet the use requirements of landscape and construction professionals, emergency responders, and large rural land owners.

Engine manufacturers are expanding into battery/electric power source production, and OEMs continue to develop and bring to market new battery/electric equipment for consumers and professional contractors. Key segments of equipment — including handheld equipment — are already

majority battery/electric, and the market continues to trend in that same direction. Manufacturers continue to invest in expanding their own battery/electric platforms in other, larger segments, including zero-turn mowers, UTVs, and others. However, there is no "one-size-fits-all" power source approach. Technology feasibility, performance and cost continue to present challenges for some users.



OPEI FILES COMMENTS WITH CARB ON UPCOMING ENGINE PRODUCT BANS

On Oct. 15 CARB staff published the SORE rulemaking Initial Statement of Reason (ISoR), initiating the formal rulemaking process and 45-day public comment period. OPEI submitted comments to the rulemaking docket Nov. 29, expressing concerns with administrative procedures, underlying cost and emissions data, technology feasibility for high-use applications and users, cost, and supply chain challenges.

OPEI's full comments are available at **[online.flipping-book.com/view/553462808](https://www.flipping-book.com/view/553462808)**.

OPEI was among many stakeholders that testified in opposition to the rule at CARB's rulemaking hearing Dec. 9. Despite stakeholder and Board member concerns, largely focused around social equity, technology feasibility, and supply chain challenges, the Board unanimously approved for adoption the rule, contingent on limited "15-day changes" proposed by CARB staff before public testimony. The Board directed CARB staff to coordinate a stakeholder work group to monitor zero-emissions equipment roll out and challenges, and to provide annual reports of the status of the industry.

CARB staff's "15-day changes" are expected to include an additional provision allowing pressure washers to meet lower emissions limits for MY 2024-MY 2027 before being subject to zero emissions limits in MY 2028, as well as provisions to allow handheld manufacturers to generate evaporative emissions credits for MY 2023.

The 15-day changes are expected to be published for 15-day comments in the next month. The rule is expected to be adopted this summer, with final approval from the California Office of Administrative Law expected the end of 2022.



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New in 2022, Equip Exposition will open on Tuesday, with a Welcome Reception for all attendees at Louisville Slugger Field downtown for food and fireworks.

EQUIP EXPO ANNOUNCES SCHEDULE CHANGES, REGISTRATION OPENS IN APRIL

In 2022, the former GIE+EXPO becomes Equip Exposition — the proving ground for the industry. It's the one tradeshow where attendees can test before they invest in new products, new technologies and new ideas for their business.

After nearly 40 years, it was time to modernize and evolve the show to better reflect what it offers to the industry. OPEI, now full owner of the tradeshow, has expanded the on-site schedule, and added new features and programming to improve exhibitor and attendee experiences.

New schedule changes for 2022 include:

- New Welcome Reception Tuesday, Oct. 18, hosted at Louisville Slugger Field in downtown Louisville. All attendees are welcome for food and fireworks from 6:30-9 p.m.
- The outdoor demonstration area will be open Wednesday from 9-5, in addition to Thursday and Friday.
- The indoor tradeshow hall will open earlier for attendees Wednesday, starting for dealers at 9 a.m. and landscape contractors at 12 noon.
- Mulligan's 5k Run and Walk, sponsored by Ariens Co. and the TurfMutt Foundation and benefiting the Kentucky Humane Society, steps off Wednesday 7 a.m. and takes participants across the Ohio River on the city's Big Four pedestrian bridge.
- The show's premium concert event featuring country

star Trace Adkins moves to Thursday evening at Fourth Street Live!

- Equip Expo keynote speaker shifts to 11 a.m. Wednesday, with golf and television personality David Feherty at the Kentucky Exposition Center
- All show attendees are welcome to connect with colleagues at the KEC Friday morning for a networking breakfast and closing keynote address from National Geographic's Photo Ark creator Joel Sartore.

EQUIP MAGAZINE EXPANDS PRINT CIRCULATION

Equip magazine — the official publication of the international landscape, outdoor living, and equipment exposition — is gearing up for its 2022 release.

The 2022 edition will expand the title's print circulation to 100,000, and it will be distributed to landscapers, dealers, hardscapers and construction professionals nationwide.

To make sure you receive it, sign up at www.equipexposition.com. Ad sales are currently underway. To advertise in the official show publication, contact Jackie Bessette at jbessette@opei.org or 703-728-7589.



OPEI WELCOMES THREE NEW MEMBERS

The Outdoor Power Equipment Institute is pleased to welcome three new members: Centro, Inc., a manufacturer of fuel tanks and other molded products; Greenzie, a provider of robotic software for mowing equipment; and Tenneco, a designer, manufacturer and marketer in the OEM and after-market vehicle and off-highway industries have all joined the association.

OPEI is the advocacy voice of the outdoor power equipment industry, and membership is open to manufacturers and suppliers of a broad range of equipment and technologies. Members and new companies expanding their product



offerings in the market are encouraged to learn more about the benefits of membership at www.opei.org/join or by contacting Chuck Bowen, Vice President, Communications and Member Relations, at cbowen@opei.org.

OPEI PUBLISHES EXPANDED MARKET FORECAST

On March 16, OPEI published its new quarterly forecast of U.S. and Canadian shipments for 2022-2023.

This forecast was developed by the member Forecast Subcommittee and OPEI's economist, Evan Barrington, who met at the Equip Expo offices in Louisville Feb. 17.

This is the first OPEI forecast to include projections for Canada, based on shipment data long collected and published by the association. Plans are to include Canada as part of the regular quarterly forecasts going forward. The next scheduled forecast update is planned for June in advance of the Annual Meeting.

OPEI members are also working to populate the market statistics database with models of battery-powered consumer and commercial riding mowers, a priority for new data publication in the immediate future.

BATTERY/ELECTRIC PRODUCTS COMMITTEE CONTINUES TRANSPORTATION DIALOGUE

Limits of Materials of Trade (MoT) regulations pose great challenges for full adoption of alternative powered OPE as states begin to impose fuel-powered OPE bans. OPEI Battery Electric Products Committee (BEPC) met in-person in February with invited experts to discuss these and other industry battery related topics.

Guests included members from the U.S. DOT Pipeline and Hazardous Materials Safety Administration (PMSHA) and the Rechargeable Battery Association (PRBA). The committee is

monitoring growing developments within California, which is considering extended producer responsibilities for battery equipment. Meanwhile, an OPEI-led joint working group is focused on a nationwide "take-back" program that would allow end-users to easily recycle their large format (>300Wh) Li-ion batteries.

For more information or to join the OPEI-BEPC, contact Brandon Martin, Director, Battery/Electric Products & Industry Affairs, at bmartin@opei.org.

OPEI JOINS COALITION LETTER TO THE DEPARTMENT OF ENERGY

The Association of Home Appliance Manufacturers (AHAM) led a joint coalition letter that was recently submitted to Kelly Speakes-Backman, Acting Assistant Secretary for Energy Efficiency and Renewable Energy at the Department of Energy, regarding a supplemental notice of proposed rulemaking for request for comment regarding the test procedure for external power supplies, proposed revisions, and additions to test procedures for battery chargers.

DOE is proposing to remove reference to direct operation and indirect operation Class A EPSs in the scope; simplify and more explicitly align the scope of the test procedure with the scope of the energy conservation standards; provide additional specifications for the testing of EPSs that do not ship with an output cord; and align the testing requirements for programmable power supplies with those for Universal Serial Bus Power Delivery EPSs.

Further, DOE proposes to maintain the location of certain definitions for which it proposed in the rulemaking to relocate. Collectively we support the DOE in its efforts to save energy and ensure a national marketplace through the Appliance Standards Program.

Repeatable and reproducible test procedures that are representative of actual consumer use, but not unduly burdensome to conduct, are an integral part of the standards program. The coalition has extended the opportunity to discuss these matters in more detail and OPEI will share any of these developments as they arise.



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U.S. DEPARTMENT OF TRANSPORTATION BATTERY COMMITTEE MEETS

The Regulations and Gap Analysis Subcommittee of the Lithium Battery Air Safety Advisory Committee (LBASAC) reviewed a proposal that suggests dividing future UN3481 classified packages – for lithium ion cells/batteries shipped with or contained in equipment – into two categories. The first category would bifurcate any cell/batteries with a state-of-charge of 30% or less could ship as normal cargo shipments.

However, anything above the 30% state of charge level would automatically require more stringent packaging and special handling by airlines. Initial industry thoughts are in opposition of this approach as it would have costly impacts throughout the entire supply chain, and it is premature to consider such a radical change ahead of any international risk analysis work that is still to be completed.

The full LBASAC committee will convene in May 2022 to review this topic, elect a new chairperson, and discuss additional international efforts.

OPEI CANADA CONTINUES STEWARDSHIP ACTIVITIES

The Outdoor Power Equipment Industry of Canada (OPEIC) contracts through a service provider with more than 230 collection sites operating across the province of British Columbia with participating end-of-life collection sites raising awareness and becoming local community stewards.

The program plan that guides this approach is up for review in April 2022. OPEIC plans to request a review extension to ensure program alignment with its service provider whose plan renewal is scheduled for August 2023. The British Columbia ministry is open to this approach, as it streamlines the review process and allows the OPEIC program to remain in compliance with all steward obligations.

CHEMICAL REGULATION UPDATE

OPEI members and staff continue to focus on the regulation of chemical use in industry products including their ban, restricted use and/or reporting/recordkeeping requirements.

At the federal level is focus on the Environmental Protec-

tion Agency's authority under the Toxic Substances Control Act and the new regulation of substances such as PIP 3:1 and PFAS. U.S. state legislatures are also active, in cases where EPA authority may or may not preempt states, to require new regulation of chemicals, equating to hundreds of bills across as many as twenty states. California is also expected to finalize amendments to its Proposition 65 regulation this year, which would compel manufacturers to make modifications to chemical content warnings on products and packaging.

U.S. CPSC UPDATE

OPEI is still working to schedule a member meeting with the new chair of the U.S. Consumer Product Safety Commission, Alexander Hoehn-Saric. The association sent a letter of introduction to Hoehn-Saric last fall, highlighting industry priorities in industry engagement with the agency and the request to meet with members.

OPEI also is currently engaged with the agency on standard requirements for products including lawn mowers and utility vehicles. Currently the five-member commission has four seated commissioners which in addition to Hoehn-Saric (Democrat) include Richard Trumka (Democrat), Dana Baiocco (Republican), and Peter Feldman (Republican). The agency has responsibility for regulating more than 15,000 consumer products in U.S. commerce, has 500 employees and an annual budget of \$170 million, and is based in Bethesda, MD.



OPEI SEEKS STANDARD DEVELOPMENT STAKEHOLDERS FOR CONSENSUS BODIES

Are you interested in participating in the development of U.S. and international OPE standards? OPEI is seeking "User" and "General Interest" stakeholders to participate on consensus bodies and U.S. Technical Advisory Groups for standards development activities. Contact Greg Knott, Vice President, Standards and Regulatory Affairs, at gknott@opei.org for standard development participation information.

In the critical industry sector of lawn mowers, members are currently finalizing a proposal to adopt as an ANSI stan-

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dard the existing international standard, ISO 5395, to replace the long-standing ANSI/OPEI B71.1 and B71.4 standards. While the proposal will necessarily include some U.S. deviations to address unique U.S. market needs, the proposal is otherwise expected to signal significant progress on the global harmonization of standard requirements. Completion of the project and publication is anticipated for late 2022 or early 2023.

Recent standards activity includes:

B175.1 Chainsaw Standard – The ANSI/OPEI B175.1-2021 (seventh edition) standard was approved by ANSI May 11, 2021. The standard was published Oct. 4, 2021.

B175.5 Edger Standard – The new ANSI/OPEI B175.5-2021 (first edition) standard was approved by ANSI May 11, 2021. The standard is expected to be published this month.

B71.6 Chipper/Shredders Standard – The ANSI/OPEI B71.6-2021 (first edition) standard was approved by ANSI on July 6, 2021. The standard was published November 2, 2021.

B71.8 Tiller Standard – Last year the committee voted to propose to reaffirm the current standard (OPEI B71.8-2016). OPEI is preparing the standard for consensus body and public review. The standard is expected to be reaffirmed this year.

The OPEI 60335-2-107 standard for Robotic Battery Powered Electrical Lawnmowers is under a second amendment review to harmonize with recent changes within the international standard. The next OPEI committee meeting will be held on May 18, to review any comments received during the consensus and public review periods. Expected ANSI publication of this amendment is to occur this coming fall.

The International Electrotechnical Commission's Technical Committee 116 (IEC TC116 Working Group 7 and 10) continues to meet virtually and continues standard development efforts. OPEI, in conjunction with member experts, supported committee efforts on the preparation of international safety standards for battery and electric motor operated lawn and garden machinery.

The WG10 is focused on chainsaw amendments, lawn aerators, robotic lawnmowers, and other core landscaper products. Prioritization of EN 60745-1 standards has been on the forefront of urgency to ensure harmonization with the European Commission.

Further development with WG7 has also been made to ensure safety when lithium-ion batteries are used in rain conditions, made advancement with 2nd edition of IEC 62841-1, and continues to provide input from concurrent ad hoc groups

and liaison committee developments. The committee's work will continue with additional meetings scheduled in April.

EXPANDING INTEREST AND ENGAGEMENT IN 'RIGHT TO REPAIR' AGENDA

Since 2016 OPEI has engaged in advocacy opposing state legislation and policymaking to adopt requirements promoted by the consumer-interest "right to repair" movement.

These policies are aimed at requiring OEMs to provide increased access to tools and information professed to be necessary for product repair specifically for their electronics and on-board software.

OPEI opposition and educational advocacy has focused on risks to safety control performance and integrity; risks to emission/environmental control performance and integrity; and the OPE industry's strong record of customer service, including product repair, making such policies unnecessary.

OPEI also continues to work in concert with the Coalition Opposed to Illegal Tampering which brings together some thirty organizations representing like-minded equipment industries and their dealers.

Somewhat post-pandemic, many state legislatures have assumed a normalized level of bill filings in 2022, including many on right to repair. Through the combined efforts of members, dealers, allied industries, and retained lobbyists the OPE industry is engaged nationwide.

These efforts have been nimble in mobilizing in-state stakeholders to voice opposition when legislation is filed, referred to committees, and subject to hearings – often on very short notice. The most resonant voices continue to be local dealers who appeal to legislator's small business sympathies, as well as in-state manufacturers voicing risks to product safety and environmental controls.

To date no state has been successful in passing legislation into law, but the right to repair movement continues to be well funded and has strong and potentially growing political support in states – and also in Washington and Brussels.

Working with members, OPEI has expanded its advocacy messaging to provide policymakers and the public with a better understanding of industry concerns, efforts, and ultimately why these policies are unnecessary. This new messaging is available at www.opei.org/right-repair-solutions.



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AMERICANS SAY YARDS ARE ONE OF THE MOST IMPORTANT PARTS OF THEIR HOMES

More than three quarters of Americans who have a yard (76%) say the family yard space is one of the most important parts of their home, according to a new poll commissioned by the TurfMutt Foundation and conducted online by The Harris Poll.

Nearly three quarters of Americans overall (72%) say a spacious yard would be at the top of their wish list if they were looking for a new home. That desire reflects a cultural shift in how Americans view their yards. Even more so, they're willing to invest in their yards, and are using them more for everyday activities, including as work-from-home office space.

"What we are seeing with Americans is greater reliance on the backyard as an extension of the home. It's not just a place that looks pretty – it's a place to live and do daily activities such as working, dining and relaxing," said Kris Kiser, President and CEO of the TurfMutt Foundation. "They've discovered that 'backyarding' is a better way to live and there's no turning back. They are also willing to hire professionals and invest money into yard improvements."

Given the unprecedented return to the outdoors, the available outdoor power equipment also has kept in step with products for every need and individual scenario, says the TurfMutt Foundation, and powered in a variety of ways including battery/electric, gasoline, propane, solar and hybrids.

Some key findings of the Foundation's survey include:

- People are enjoying extra time outside. Nearly a quarter of Americans who have a yard (24%) are spending more time in their yards now than before the COVID-19 pandemic.
- And they are really enjoying the extra time outside. Over 3 in 5 Americans who have a yard (63%) say they have



Kris Kiser and Mutt Mulligan, the spokesdog for the TurfMutt Foundation, enjoy backyarding. According to a new Harris Poll survey, nearly a quarter of Americans who have a yard (24%) are spending more time in their yards now than before the COVID-19 pandemic.

enjoyed doing more activities in their yard since the pandemic began.

- Younger adults (68% age 18-54 vs. 52% age 65+) and parents of kids under 18 (73% vs. 58% who are not parents of kids under 18) are more apt to feel this way.

How Americans use their yard has likely changed. For one, the outdoor office trend is here to stay with many Americans using their yards as makeshift offices for their jobs.

- Nearly 2 in 5 Americans who have a yard (58%) say they have spent time doing work for their job in their yard during the pandemic.

The yard has also become a place to de-stress, with more than two thirds of Americans who have a yard (69%) saying doing yard work, such as mowing, trimming or planting, is one of the ways they like to de-stress these days.

This is especially true among parents of kids under 18 as they are more likely than their counterparts without kids under 18 to cite this (76% vs. 65%).

Learn more about these trends at www.turfmutt.com.



SAVING THE PLANET ONE YARD AT A TIME.

