

ADAMS TECHNOLOGY SYSTEMS

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ATSSC STANDARD OPERATING PROCEDURE

SOP for:	CHANNELS OF TRADE CLEARED	REV# 02	SOP# 46
SOP Written/Revised by:	Rob R. Adams, Jr	Rev. Date:	04/17/2006

I. PURPOSE

Adams Technology State Pesticide Registration Service Center (ATSSC) must certify that the "channels of trade" have been cleared of all product before a state registration may be canceled. This SOP details the letter required. This SOP will also be used to advise clients that most State Regulations mandate a two year discontinuance period

II. RESPONSIBILITY

Primary: Senior Registration Specialists
Secondary: ATSSC Service Center Manager

III. PROCEDURE

1. Most states mandate a two year discontinuance period before canceling a pesticide registration. Even though a product has been dropped by the registrant, it is still in manufacturing, warehousing, the distribution chain and on the shelves. The term used for this is the "channels of trade." Hence, the regulations require the clearing of the channels of trade prior to canceling a product's registration.
2. The process requires the registrant to formally advise the state that the product registration is going to be Discontinued. ATSSC tries to do this during the Renewal period. The first year after advising the state, the status will be DISC1 or D1. The second year status will be DISC2 or D2.
3. Some states require NO discontinue period. However, if you cancel the product and they find it, then enforcement action will be taken. ATSSC will cancel these states as the two year states are cleared.
4. Some states require three or more years discontinue period. NY and NJ, in particular, require the product to be registered until it is no longer in the consumer's hands. That means forever. (The Pesticide Industry is urging NY and NJ to correct this regulation.) The ATSSC will cancel NY and NJ after the other states have been cleared.
5. Most states have agreed that after a product registration has been discontinued for two years, they will allow the registration to be canceled. If product is found in the channels of trade in the third year and beyond, the registrant will be asked to remove it from the state but NO fines, penalties or sanctions will be pursued by Enforcement.
6. **IMPORTANT:** Registrants and their Management Team need to understand that, if the product is not successful and a decision is made to drop it, you are still obligated to pay the registration fees and the ATSSC Service Fee for another two years. The registration fees as of the revision date of this SOP is roughly \$10,000 per product per year or \$20,000 to Discontinue and Cancel one product registration.

7. The Registrant and ATSSC can save a large portion of the discontinuance registration fees by communicating and working together.
 - a. As soon as management knows (or even considers) that they will drop a product, an email needs to be sent to the ATSSC. This will allow the Registration Specialist to review the product's registration files and upcoming renewals.
 - b. The registrant will be asked to gather information regarding what and where product is in the channels of trade. Determine if it is feasible to gather or limit the product to certain states. Determine if the product was only distributed in certain states or sections of the country.
 - c. The ATSSC and Registrant will exchange information and determine the most efficient and economical plan of action. See the sample letter at the end of this SOP for some of reasons that may be used to mitigate the two year payment of registration fees.
8. After going through the above, most states require a letter from the Registrant's letterhead certifying that the "channels of trade" have been cleared of all product.
9. Regardless of the individual state policy, ATSSC must have this letter in it's files to attach to Renewal forms to certify that the product is no longer on the shelves. This allows ATSSC to not pay the registration fees.
10. Generate the following letter for ALL states. Advise the ATSSC which states still have product. We will continue to renew those states until the product has been cleared or one year has passed. We will use the letter for the other states and save the registration fees!

The following letter needs to be generated to authorize ATSSC to CANCEL a product registration. So we are not delayed in saving registration fees and processing renewal paperwork packages, email (preferred) or fax a copy to us ASAP. Mail the Original to us for our files.

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(TYPE THIS LETTER ON YOUR LETTERHEAD)

(Today's Date)

To: State Pesticide Registration Authorities

Subject: CANCEL PRODUCT REGISTRATION(S)

Re: **(Product Name)**
EPA Reg#

We hereby certify that the above product(s) has (have) "cleared the channels of trade" (COT) in your state. We request that the product registration for this (these) product(s) be CANCELLED when the current registration period expires.

{Include a paragraph that will explain WHY you feel that the COT has taken place. Examples:

1- Product has been properly discontinued for a minimum of at least two years. If any product is found after being canceled, we commit to remove it from the state.

2- Last product was manufactured in January, 2004. Product has been properly discontinued for a minimum of at least two years. If any product is found after being canceled, we commit to remove it from the state.

3- Product has been phased out and replaced by a new registration. Product has been properly discontinued for a minimum of at least two years. If any product is found after being canceled, we commit to remove it from the state.

4- Product did meet sales expectations. We have cleared our distribution and sales system of the product.

5- Product had limited distribution that did NOT include your state. Product distribution will not be extended into your state in the foreseeable future.

6- Product was registered but never produced and distributed. It is our intention to drop the product for the foreseeable future.

7- (Any other comments that will support the product has cleared the COT.)

Thank you for expediting this request. If you have any questions, please contact us or Adams Technology Systems at (770) 751-1073.

Sincerely,
(Company Name)

(Signer's Name)
(Title)
(Phone Number)

cc: Rob Adams - Adams Technology Systems