

Furniture Times

the association for British Furniture Manufacturers

Autumn 2006

'IT IS' British campaign



I am delighted to report further progress on this initiative.

After consulting the plethora of interested parties, it is the unanimous view that the starting point should be the rolling out of POS materials as early as possible in 2007.

We shall now approach all retailers and manufacturers who so far have offered support with a concrete proposal produced by our professional PR & marketing company.

It is not too late to register your interest.

Roger Mason, MD

GREAT
BRITISH
FURNITURE

What is the 'IT IS'
British campaign?

The overall aim and objective is to increase awareness of British manufactured furniture in the eyes of the consumer, retailers, contract specifiers, architects and the wider international audience. The masthead of the campaign illustrated here is a powerful symbol, a statement of pride and quality which can be utilised across all marketing materials and can provide a bold stamp of recognition at point of purchase.

internet

Have your say and post your messages on the BFM website

We are delighted to have added yet another exciting feature to the BFM website, www.bfm.org.uk: the **BFM Forum**. This is a new live area of the site where industry visitors are able to raise topics, initiate or participate in discussions, request or offer products and services and advertise employment vacancies.

To participate in the BFM Forum is straightforward and free. It will hopefully become a useful virtual meeting place for all industry players.

consumer visitors to the site every week since it's redesign 12 months ago. It therefore makes sense to use the site as effectively as possible. It serves both to generate sales for our members and reduce the time and money spent by furniture buyers when sourcing product. In conjunction with our on-line Members Directory, www.bfm.org.uk is now a one stop shop for furniture buyers"

It is hoped that the current Chancellor of the Exchequer takes advantage of Source@BFM. Following an article in The Times (13th September 2006) detailing Mr Brown's impending refurbishment of the three-bedroom flat above No. 10 Downing Street, BFM wrote to the Chancellor inviting him to visit our website and view the products of our members and encouraging him to take the opportunity to show support for the British furniture industry.

▼
BFM

Suggested articles for publication should be e-mailed to info@bfm.org.uk

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BFM relocates

For some time now BFM has been operating out of a London and High Wycombe office, the majority of staff being employed at the former.

It has been decided to centralise operations at High Wycombe. This will result in more effective services, greater economies of scale and maximisation of the revenue stream from the property portfolio.

A small meeting office will be retained at Harcourt Street. The relocation is effective from 2 October 2006.



source @ BFM

In a move to drive sales for member companies, we have launched **source@BFM** - an on-line portal that allows retailers, interior designers, contract specifiers, architects and procurement officers to send their specific furniture requirements to us. We will then pass these on directly to the membership.

Launched 4 weeks ago, enquiries have already been received from Colombia, Iran, Hungary and Malta, as well as throughout the UK.

Roger Mason commented:

"We have been receiving an average of 5,000 trade and

internet

environment

employment

exports - statistics

representation

membership

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Do you want to join the UK's first resource efficiency club for the furniture sector?

BFM has been running the UK's first resource efficiency club specifically aimed at furniture and woodworking businesses. The group of ten companies are based in the South East, roughly in a triangle between South London, Portsmouth and Folkestone. During 2006, some £500,000 of potential savings have been identified in areas such as wood waste management, energy efficiency, the improvement of operational practices and water management.

The initiative has been sponsored by Envirowise, a Government funded initiative designed to secure cost savings through resource efficiency and cleaner technology. Savings have been identified through a series of open seminars and on-site consultancy – all of which is provided free of charge. Participants are now implementing their improvement programmes to actually realise the savings - over £50,000 of which have already been achieved.

Envirowise have been pleased with progress and have offered funding for 2007. Additional participants are being sought. If your company is located in the South East, is involved in furniture or timber processes and is interested in saving money through resource efficiency, please contact Alistair Bromhead 07932 674707 or a@abromhead.co.uk.

End-of-life furniture: why should you care?

Environmental legislation is increasingly making manufacturers responsible for dealing with their products after customers have finished with them. Packaging was the first target area back in 1997 and additional regimes have since focussed on vehicles, tyres, batteries and electronic equipment. It is only a matter of time before furniture manufacturers are also required to fund the recovery and recycling of end-of-life furniture.

Indeed, many contract and office furniture manufacturers are already experiencing pressure to take-back obsolete items when supplying new goods. Traditionally, the bulk of this material has been land filled.

BFM is just embarking on a two year project to investigate and address the range of issues which currently prevent the economic take-back, remanufacturing and recycling of furniture. BFM is leading a consortium which includes Kingston University, Green-Works, Brighton University and Bramall Construction.

Key areas of investigation will include:

- ▶ **Product service systems:** reconsideration of the way in which furniture manufacturers sell their product offers the potential to decouple producers' business success from the amount of products sold.
- ▶ **Environmental design for furniture:** integral to achieving material reduction, choosing environmentally sound raw materials, enabling the reuse of components and facilitating cost effective remanufacture.
- ▶ **Sustainable consumption:** furniture purchasers have the potential to influence the supply chain by demanding environmentally sound products and services. Furthermore, such purchasers can also specify a constructive end of life outlet for their used furniture.
- ▶ **Remanufacturing:** this option offers an attractive route for material which is surplus to reuse requirements.

The project has the potential to generate competitive advantage for UK manufacturers. Furniture manufacturers involved in office, contract and/or kitchen manufacture are encouraged to participate. The project is very flexible and participation can range from telephone discussions to the creation of environmentally sound prototype models. Please contact Alistair Bromhead 07932 674707 or a@abromhead.co.uk.

BFM Training courses accredited by City and Guilds

BFM has had the first of a suite of health, safety and environmental training courses accredited by City and Guilds. Such external certification is nationally recognised and should give added credibility to the qualifications in the eyes of insurers and the Health and Safety Executive.



Accredited courses include:

- **Certificate in Health and Safety Management:** a two day course to provide managers in the furniture and woodworking industries with the competence to manage key areas of health and safety performance.
- **Manual Handling train the trainer:** a two day course to provide managers with the competence to implement manual handling training programmes, understand relevant legislation and conduct manual handling risk assessments. This is believed to be the first such course to achieve nationally recognised certification
- **Certificate in Environmental Management:** a three day course to provide managers in the furniture and woodworking industries with the competence to manage key areas of environmental performance.

Free training available

Through the use of European funding, free training can be provided by BFM to small and medium sized member companies throughout England and Wales. SMEs are defined as:

- <250 employees and
- <£35 million turnover

Training options

- **Open courses:** training can be undertaken on open courses as detailed below.
- **In-house:** if you have a group of 10 managers for training, courses can be run on your premises. If you have smaller groups of 4 – 9 managers, please talk to Alistair Bromhead as there is scope to run an event on your site with other BFM members in the area sending a few staff to make the numbers up to 10.



End of life office desks destined for reuse or remanufacturing

Dawn of a new age

As of 1st October 2006, the Employment Protection (Age) Law will outlaw discrimination on the grounds of age in every workplace. Companies should take great care in their recruitment, employment and termination practices as the scope for litigation under the new law is extremely wide. It is quite clear that the regulation will require a culture change in all organisations.

Members can access detailed guidance from the BFM website (www.bfm.org.uk) and this includes how to implement the statutory retirement procedure which will affect all retirements from now on.

Liability boundaries pushed wider by the courts

Two recent legal judgements, both civil actions, are litigation warnings to employers. Another judgement too (the second reported below) looks at the question of financial liability, this time in the field of employment law, and this should cause concern for employees as well as companies.

Judgement 1: The House of Lords' has held that **a company was vicariously liable in damages for harassment/bullying by one of its employees under the Protection from Harassment Act 1997 (PHA)**. This Act was introduced with the primary intention of delivering justice to 'stalkers', however the way it is drafted also lends itself, perhaps unintentionally, to workplace claims. Under the PHA damages are awarded for anxiety caused by the harassment.

The remedy is available regardless of the grounds for harassment and is therefore considerably more wide ranging than the harassment provisions under discrimination laws. There is no requirement to prove negligence or personal injury and the suspicion is that we will now see claims under the PHA being a routine addition to stress at work claims. In this particular case the employee who brought the claim was bullied because he was gay.

Judgement 2: The Court of Appeal held that **a manager was personally liable to pay compensation not only for acts of discrimination/harassment she committed but also for encouraging similar acts by other employees**. Compensation was awarded jointly against the company (a hairdressing salon) and its manager in respect of pregnancy discrimination.

Procedures are available to BFM members on harassment and bullying at work and may be obtained from the members' area of the web site.

Judgement 3: The Fatal Accident Act 1976 provides that the dependant of an individual who dies as a result of any wrongful act, negligence or default of another party may claim damages in a civil action against that party for the loss of financial support. The Court of Appeal has held that a company was financially liable for the suicide of one of its employees who had suffered depression after being seriously injured in a work accident caused by its negligence.

exports

BFM & China Chamber of Commerce for the Import of Furniture

On Tuesday 19th September 2006, BFM met with The China Chamber of Commerce and a delegation of furniture companies. The Chamber has 7,000 members in total and furniture is one of several sub-chambers.

Having received a presentation on the size, scope and status of both the BFM and the British furniture industry as a whole, the delegation believed that there are real possibilities for greater collaboration between the Chamber and BFM in terms of the supply of components and importing of UK furniture.

The delegation confirmed that the regeneration and subsequent wealth that is being created in China are and will continue to provide mid-top end UK manufacturers with significant export opportunities.

The proposed BFM/AL-INVEST mission to China in 2007 was also of interest to the delegation and they confirmed that they would wish to arrange meetings with potential customers.



statistics

UK MANUFACTURERS' EXPORTING SUCCESS

July 2006 export figures make for encouraging reading, with an increase of nearly £56m like for like on 2005 figures, across all sectors (domestic, contract, office, beds and kitchens).

This growth is split almost equally between EU and Non-EU countries and shows that UK manufacturers are now looking to maximise opportunities in all export markets around the world.

Imports continue to grow, but at a slower rate than in the previous 5 years. Notably imports to the UK from EU countries are down by over £33m, on the same period last year.

Below are listed the top 3 destinations for UK furniture. Both EU and non-EU, covering all sub-sectors, to July 2006. Some make surprising reading, others are more obvious. All, however, are important benchmark figures for exporters.

Adam Mason commented: *"We now hold figures and values of imports and exports by country, every month and cumulatively for the last 2 years. They can be used to offer insight into overseas market shares, opportunities and areas of growth decline."*

For more information and to assess your companies overseas performance, please contact adam.mason@bfm.org.uk.

DOMESTIC

TOP 3 DESTINATIONS - EU	TOP 3 DESTINATIONS NON-EU
Irish Republic - £118.5m	USA - £44.3m
France - £29.5m	Japan - £8.2m
Germany - £18.6m	Switzerland - £5m

CONTRACT

TOP 3 DESTINATIONS - EU	TOP 3 DESTINATIONS NON-EU
Germany - £32.8m	USA - £31m
France - £27.8m	Canada - £13m
Irish Republic - £13.3m	Japan - £9.8m

OFFICE

TOP 3 DESTINATIONS - EU	TOP 3 DESTINATIONS NON-EU
Irish Republic - £17.5m	USA - £11.8m
France - £5.5m	Japan - £4.1m
Germany - £5.3m	Switzerland - £1.2m

BEDS

TOP 3 DESTINATIONS - EU	TOP 3 DESTINATIONS NON-EU
Irish Republic - £5.8m	USA - £0.45m
France - £1.2m	China - £0.3m
Belgium - £0.93m	Russia - £0.27m

KITCHENS

TOP 3 DESTINATIONS - EU	TOP 3 DESTINATIONS NON-EU
Irish Republic - £13.4m	USA - £3.2m
France - £11.1m	Norway - £0.73m
Germany - £1.35m	Malaysia - £0.13m

All Party Furniture Group

representation

The All Party Parliamentary Furniture Group (APPPG) activity is gathering momentum.

Letters have been sent out to the relevant Ministers on the key issues of: enforcement of the flammability regulations and the downgrading of the furniture industry within the DTI.

Speakers for future APPFG meetings have also been booked, the first being Rt. Hon Ian McCartney MP, Minister of State Department for Trade & Industry and Foreign Office, who will speak at a meeting on October 25th. Members will be kept informed and are very welcome to attend.

A series of Parliamentary Questions have been produced and these along with Early Day Motions will increase the lobbying and raise awareness of the group and its aims and objectives.

On the 18th and 24th October, representatives from BFM will meet with Geoffrey Norris who is Trade and Industry Policy Officer, Number 10 Downing Street Policy Unit and Peter Luff MP, Chair of the Trade & Industry Select Committee, respectively, to present the case for reinstating the industry as a 'priority sector'.

membership

New members

BFM is pleased to welcome the following companies into membership:

Furniture @ Work
Quality Furniture Company Ltd
Furnished Homes

If you wish to receive future quarterly BFM newsletters free of charge, simply send an email to info@bfm.org.uk or call 01494 474270