

**Position of the Dutch Retail Association – Detailhandel Nederland – on the consultation of the European Commission on information provided to consumers about characteristics of furniture products.**

The Dutch Retail Association represents the Dutch council for SME-retailers (MKB-Nederland) and of large retailers (Raad Nederlandse Detailhandel).

Registered as interest representative: nr 22232504133-92

Please find hereunder the reaction to the part of the aforementioned consultation we found most relevant for the Dutch retail sector.

**GENERAL INFORMATION**

**1) Is your organisation registered in the Transparency Register of the European Commission? \***

No

Yes (please enter your registration number in the Transparency Register):

**2) Are you responding to this consultation as: \***

- Individual
- Consumer organisation
- Business/ Enterprise
- Industry association/federation
- Trade union
- Public administration
- Technology institute/ Standardisation body
- Other (please specify):

**PART A**

**General information and the identification and assessment of the existing schemes and possible needs concerning information provided to consumers on furniture products characteristics.**

**1) *The Netherlands***

**2) The Netherlands, Belgium, Luxembourg, Germany**

**3) Please provide the registered name of your business/organisation: \*Detailhandel Nederland**

**4) Please specify which business segment you represent [multiple answers are possible]:**

- Manufacturing
- Import/Export
- Wholesale
- Retail
- Other (please specify)

**5) You are responding to this consultation as:**

- An actor in the furniture supply chain (products or services provider):
- An actor outside the furniture supply chain (please specify)

Please indicate which products and/or services you (or your members) provide: [multiple answers are possible]

- Office and shop furniture
- Kitchen furniture
- Mattresses
- Upholstered furniture
- Other household furniture e.g. for bedroom, dining & living room, outdoor, bathroom, seats
- Other furniture (please specify)

**6) What size is your business (or the members you represent)? Please refer to the table below [multiple answers are possible]**

- Micro-enterprise
- Small-enterprise
- Medium-sized enterprise
- Large enterprise

Micro enterprise: up to 10 employees; turnover or balance sheet total  $\leq$  € 2 million  
Small enterprise: up to 50 employees; turnover or balance sheet total  $\leq$  € 10 million

Medium-sized enterprise: up to 250 employees; turnover ≤ € 50 million or balance sheet total ≤ € 43 million

Large enterprise: more than 250 employees; turnover above € 50 million or balance sheet total above € 43 million

**7) Are you aware of any past or on-going initiative(s) or existing scheme(s), which would require providing certain information on furniture products characteristics (e.g. on materials used, origin, weight) to consumers?**

V no  
Yes

**8) If you answered YES to Q7, please identify each initiative or scheme, name and country(-ies) of applicability, according to its status:**

- A mandatory scheme in force:
- A voluntary scheme in force:
- An initiative or scheme currently under consideration or development:
- A development/introduction of a new scheme was considered in the past, but did not enter into force:
- A scheme existed in the past, but was withdrawn:

**9) If you answered YES to Q7, in the last 5 years, have you (or your members) experienced any advantages due to a specific scheme(s) requiring the provision of information to consumers on furniture product characteristics?**

- No
- Yes
- It is difficult to establish a link

If Yes, please indicate the name(s) of the scheme(s) concerned:

**10) If you answered YES to Q9, what are the advantages that you (or your members) experienced as a result of the existence of such a scheme? [multiple answers are possible]**

- Increase in sales
- Better reputation for my products/services
- Lower litigation costs
- Lower sales and marketing costs
- Other (please specify)

Please provide an estimate of the related benefits (as a percentage of annual turnover):

- Less than 1% of the annual turnover
- Between 2-4% of the annual turnover
- Between 5-10% of the annual turnover
- More than 10% of the annual turnover
- Don't know

**11) Are you impacted by any differences in mandatory schemes applicable in countries you (or your members) trade with, which require providing information on certain characteristics of furniture products to consumers ( e.g. on materials used, origin, weight)?**

- No
- Yes

If Yes, for each, please specify the name of the scheme(s) and its country (-ies) of applicability:

**12) If you answered YES to Q11, what is the impact on your (or your members') willingness to trade cross-border within the EU, with different requirements in some EU countries on providing information to consumers on specific characteristics of furniture products?**

- High impact
- Moderate impact
- Low impact
- No impact
- Don't know

**13) In the last 5 years, have you (or your members) experienced any problems due to different national requirements, in some EU countries, on providing information to consumers on furniture products characteristics?**

- No
- Yes
- It is difficult to establish a link

If Yes, please indicate the national scheme(s) concerned:

**14) If you answered YES to Q13, please explain which problems have you (or your members) experienced as a result of such different requirements [multiple answers are possible]**

- Higher production costs
- Higher administration, sales and marketing costs (including costs of familiarisation with such different requirements)
- Could not sell products/ provide services in some EU countries

- Other (please specify the problem(s)):

Please provide an estimate of the related costs or foregone revenues (as a percentage of annual turnover):

- Less than 1% of the annual turnover  
 Between 2-4% of the annual turnover  
 Between 5-10% of the annual turnover  
 More than 10% of the annual turnover  
 Don't know

**15) In the last 5 years, have you (or your members) experienced any problems with competitors that have not respected the national requirements on providing information to consumers on furniture products characteristics within the EU?**

- No  
 Yes  
 It is difficult to establish a link

**16) If you answered YES to Q15, which problems have you (or your members) faced as a result of such competitors non-compliance? [multiple answers are possible]**

- Loss of sales  
 Harm to the reputation of my products/services  
 Higher litigation costs  
 Higher sales and marketing costs  
 Other (please specify)

Please provide an estimate of the related costs (as a percentage of annual turnover):

- Less than 1% of the annual turnover  
Between 2-4% of the annual turnover  
Between 5-10% of the annual turnover  
More than 10% of the annual turnover  
Don't know

**17) In the last 5 years, have you (or your members) experienced any problems with the actor(s) within your supply chain in providing information to consumers on furniture products characteristics within the EU?**

- No  
 Yes  
 It is difficult to establish a link

**18) If you answered YES to Q17, what type of problems have you (or your members) faced with the actor(s) within your supply chain in providing such information? [multiple answers are possible]**

- Difficulties in obtaining information from the manufacturer
- Difficulties in obtaining information from the importer
- Retailers resistance to provide/display the information
- Other (please specify):

Please explain the main consequences of the problem(s):

- Had to change the value chain partner(s)
- Higher administration, sales and marketing costs
- Higher litigation costs
- Could not display the information on the furniture product which I would have liked to provide to consumers
- Could not sell products/ provide services in some EU countries
- Other (please specify the problem(s)):

**19) Do you display information on certain furniture products characteristics (e.g. on materials used, origin, weight) to consumers (before the purchase)?**

No

Yes

Not applicable (I do not sell furniture products to consumers)

**20) If you answered NOT APPLICABLE or NO to Q19, how important is it to provide consumers with the following information about furniture products characteristics? (please indicate the level of importance, from 1-not important to 5-very important)**

Dimensions

Weight

Weight-bearing capacity

Materials used

Hazardous substance contained in the product

Durability of use and resistance to "wear and tear"

Production process applied

Safety information and/or precautions on use

Instructions on cleaning and maintenance

Instructions on disposal or recycling

Origin of the product

Origin of the product's component materials

Name and/or address of the producer and/or importer

Identification of design protection

Environmental friendliness

Conformity to fair labour conditions

Other (please specify): For consumer it is important how to use the furniture.

**21) Would it be preferable that such information be displayed in shops in a standardised format in order to allow for better comparison between furniture products?**

V No

**22) If you answered YES to Q19, please answer to the questions below:**

**a) Which type of information on furniture products characteristics do you display to consumers? [multiple answers are possible]**

- Dimensions
- Weight
- Weight-bearing capacity
- Materials used
- Hazardous substance contained in the product
- Durability of use and resistance to "wear and tear"
- Production process applied
- Safety information and/or precautions on use
- Instructions on cleaning and maintenance
- Instructions on disposal or recycling
- Origin of the product
- Origin of the product's component materials
- Name and/or address of the producer and/or importer
- Identification of design protection
- Environmental friendliness
- Conformity to fair labour conditions
- Other (please specify):

Please briefly explain if the information content differs according to the destination market: It hard to say because it differs from product to product and from retailer to retailer

**b) What are the advantages that you have experienced as a result of displaying such information? [multiple answers are possible]**

- Increase in sales
- Better reputation for my products/services
- Lower litigation costs
- Lower sales and marketing costs
- Other (please specify): To inform consumer about the furniture, consumer get better informed. So they know how to use the furniture properly and are aware of realistic expectations. This results in less disputes.

Please provide an estimate of these benefits (as a percentage of annual turnover):

- Less than 1% of the annual turnover
- Between 2-4% of the annual turnover
- Between 5-10% of the annual turnover
- More than 10% of the annual turnover
- Don't know

**c) What are the related costs you incur in order to provide consumers with such information?**

- Less than 1% of the annual turnover
- Between 2-4% of the annual turnover
- Between 5-10% of the annual turnover
- More than 10% of the annual turnover
- Don't know

**PART B**

**Effectiveness and impacts of information provided to consumers on characteristics of furniture products, on their informed decision-making:**

**1) To what extent do you agree with the following statements? (please select: fully agree, somewhat agree, somewhat disagree, fully disagree, don't know/don't have an opinion)**

- Information displayed in shops to consumers on furniture products characteristics is sufficient to make informed choices. **Somewhat agree**
- Information displayed in shops allows consumers to compare between different furniture products. **Somewhat agree**
- Consumers are confident of the quality of the furniture products they are buying. **Don't know**
- Consumers rely on information displayed in the shops on characteristics of furniture products in their purchasing decisions. **Don't know**

**2) Please assess the following impacts on consumers of information displayed in the shop about furniture products characteristics (e.g. materials used, origin, weight) (0-don't know/have no opinion; from 1-very high impact to 5-very low/no impact).**

- Decreasing the number of consumers' complaints on purchased furniture products.
- Decreasing the frequency of inadvertently purchased furniture products (i.e. with properties different from what consumers were really looking for). An overall increase in price of furniture products to consumers.
- Increasing consumers' awareness about intrinsic values of furniture products (e.g. not visible at the purchase but apparent during use).



- Increasing the sales of high-quality furniture products.
- Decreasing the intellectual property rights infringements of furniture products.

**Possible policy options concerning the needs relating to information provided to consumers on characteristics of furniture products:**

**3) To what extent do you agree with the following statements (please select: fully agree, somewhat agree, somewhat disagree, fully disagree, don't know/don't have an opinion)?**

- The existing practices/situation in different EU countries on providing to consumers information on characteristics of furniture products should remain unchanged. **Fully Agree**
- Industry together with relevant stakeholders should take an initiative to improve information provided to consumers on characteristics of furniture products. **Somewhat Agree**
- Guidance and/or recommendations should be developed at the European level to national authorities and/or industry on improving information provided to consumers on characteristics of furniture products across the EU, which would apply on a voluntary basis. **Fully Disagree**
- The requirements on information to be provided/displayed to consumers on characteristics of furniture products should be defined at the European level, and apply on a mandatory basis. **Fully disagree**

**Please let us know if you would like to add something:**

We oppose any obligatory use of information schemes. If a retailer would like to give more information to the consumer, be it on paper or electronically, he/she must be allowed to do so. But any obligatory use of information schemes is not favoured by the retailer. Also, the need and effectiveness of the information differs per sector and per shop. The retailer is the best place to assess which kind of methods suits its business best. In general, any obligation will lead to administrative burden and costs, especially for SMEs. Beside providing the products, retailers provide as well the direct service to the consumer at time of orientation and/or purchasing the product. The information given orally at a shop is valuable to the customer in making considered decisions. Furniture is not a daily purchase, consumers must therefore get tailormade information, which is best given orally instead.

Product and supply chains are becoming ever more complex. The proliferation of traceability rules for various products must be curbed. Proposals on traceability for combined-products like furniture is not implementable for the retailer. Many products consists of different materials originated from different sources and locations. The wish for traceability overall is very challenging as raw materials are sourced worldwide and production stages are carried out in several different countries.

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## **About Detailhandel Nederland**

Detailhandel Nederland represents the collective social and economic interests of the retailers. The aim is to create the perfect climate for retailers to do business in the best possible way. Thanks to their cooperation in Detailhandel Nederland, small and medium-sized firms (SMEs) and chain stores can present one position together. This strengthens the representation of the retail trade vis-à-vis the Dutch and European authorities.

### **The Dutch retail trade**

Almost 700,000 people are working in 110,000 shops in the Dutch retail trade. This makes the retail trade the biggest employer in the Netherlands. In 2013 the retail trade achieved a turnover of around 96 billion Euros. In the entire European Union around 31 million people work in the retail trade, in 6.2 million companies with a total turnover of about 2,273 billion Euros.

### **Lobby and communication**

Detailhandel Nederland is the spokesperson of the retailers in the Netherlands. Consultation with the government and other consultative structures ensure that the retailers' voice is heard. In the European context, Detailhandel Nederland is a member of EuroCommerce.

### **For more information:**

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