Standards & Conformity Assessment

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September 26, 2007
Overview

 Agenda
- Standard in the Electrical Sector
- Safety of Consumer Products
- Global Supply Chain
- Corrective Actions
- PRISM Proposal on Standards and Conformity Assessment
- Education to meet “World Class Manufacturing”
- Relied Upon Standards
- Mandatory Conformity Assessment
AHAM

- Trade Association of home appliance manufacturers
- Major Appliances
- Portable Appliances
- Floor Care Appliances
- Suppliers
- Represents $32 Billion U.S. Market
- Products used throughout the home, every day
- Membership is global
Standards

- AHAM products are under jurisdiction of many safety standards
  - UL
  - ANSI Z21/83 Gas Fueled Products
  - NFPA—National Electric Code
  - ICC Building, Mechanical and Gas Codes
  - Local jurisdictions and inspections for installed appliances
  - Relevant international standards (CENELEC, IEC, etc.)
Safety Standards in the Electrical Sector

- We say “Voluntary” standards, but…
  - Enforced by retailers, insurance carriers, local jurisdictions and the product liability system

- Consensus Standards
  - ANSI Standards Process
  - Leadership and collective wisdom of industry, suppliers, laboratories, retailers, AHJ’s, government and consumer groups.
  - Living documents
Safety of Imports

- AHAM members are as concerned as all others about import safety
- Not a “China problem”
- It does not matter where the products are designed or manufactured
- Even when final assembly is in the U.S., many components or sub-assemblies are from other locations
Safety of Products

- For Appliances, this means:
  - Manufacturers and retailers that take responsibility for safe design, manufacture and the supply chain
  - Manufacturers and retailers that act responsibly when there are problems discovered
  - Manufacturers and retailers work with consumers to find recalled products and remove them from use
  - Trade is allowed to continue but safety is enhanced
  - All parts of the system practice continuous improvement
Safety of Products

- It is important where retailers and distributors act as manufacturers, that they accept the same responsibility as manufacturers.
- Retailers and distributors have unique ability to enforce safety programs with OEM and private contract manufacturing partners.
Global Supply Chain

- Product safety must be addressed at every link in the global supply chain
  - Design
  - Manufacture
  - Retailer/Distributor
  - Safety certification organizations
  - Final goods quality
  - Factory surveillance
  - After market surveillance and action
Corrective Actions

- Actions can occur despite best efforts to enhance safety
- Appliance industry is no exception
- The priority is to act responsibly when actions are necessary
  - Gather information
  - Take action promptly
  - Remove items
  - Work with retail partners
  - Create the proper corrective action
  - Use information to change the standards
CPSC Proposal on Standards

- AHAM has strongly supported and participated in CPSC’s educational efforts in China and other countries
- We believe that education about safety standards and regulations is critical
- But, meeting the standards and regulations is only the beginning
World Class Manufacturers

- For a company to be a “World Class Manufacturer” they must do more than meet the applicable safety standards
- Adopt the principles in CPSC’s, “Handbook for Manufacturing Safer Consumer Products.”
- Educate companies in building safety into the design
- Work the system throughout the supply chain
CPSC Programs

- The Second U.S.-Sino Safety Summit was constructive
- Conference needs to repeat often
- Work Plans need to be implemented
- Applaud special efforts on individual products
  - Extension cords
  - Power outlet strips
  - Decorative lighting
- Need emphasis on partnerships to stop counterfeit safety certification marks
CPSC Proposals

- Need to focus on Standards and Conformity Assessment
  - Several excellent ideas in PRISM proposal
  - Raises questions about how to use private, third-party standards and conformity assessment systems
  - Need to preserve OMB A119 and reliance on private standards systems
    - Faster development to meet changing market
    - Living documents to react to issues
Major Issue—Standards & Conformity Assessment

The biggest questions for this audience are…

- How will a Federal Agency mandate private, third-party standards, but continue the benefits of the present system?
- How will a Federal Agency mandate private, third-party conformity assessment, but continue the benefits of the present system?
“Relied-On” Standards

- First, set the criteria for mandatory rulemaking.
- AHAM supports revisions to Section 9 of CPSA, that Commission, by Action or Petition, may rely on or adopt as mandatory in whole or in part existing voluntary standards if it finds that:
  - Voluntary compliance is not sufficiently widespread
  - The standard will substantially reduce hazards, and
  - Federal adoption will improve compliance and reduce or eliminate the subject risk
“Relied-On” Standards

- Adoption of standards should be prioritized by:
  - Risk of injury
  - Hazard statistics
  - Products without widespread participation in compliance systems
- CPSC should adopt only most critical safety-related provisions of private safety standards
  - Example: Immersion protection devices on hair dryers
- CPSC should favor standards based on ANSI accredited SDO’s
“Relied-On” Standards

- CPSC rulemakings should consider...
  - Technical feasibility
  - Effect on competition
- CPSC should rely on standards interpretations from the SDO
- CPSC should allow update to most recent version of standard and rapidly update mandatory standards rules
Conformity Assessment

- CPSC should rely on existing systems of conformity assessment
- Any mandate of conformity assessment should reinforce existing marks of conformity
  - Partners with AHJ’s
  - Builds on consumer awareness
- Build greater systems of enforcement of valid marks of conformity
  - Government investigation and prosecution
Mandatory Conformity Assessment

- CPSC should rely on 3rd party conformity assessment systems where:
  - Risk is considered high
  - A conformity system is used by most of the industry
  - The system can be maintained and enhanced
  - Factory follow-up surveillance is included
  - Certification Organizations possess a mark with proven integrity and which protects intellectual property.
European CA System

- Current European system of Conformity Assessment (use of CE Mark) would offer far less protection in critical safety areas
- Not recognized by OSHA NRTL system
- Not accepted by Authorities Having Jurisdiction
- Does not include factory follow-up surveillance
- Does not require type-testing of each model
- Has not been proven to prevent corrective actions (See RAPEX)
Consumer Safety

- Any system of standards and conformity assessment can be improved
- We need to
  - build upon the existing standards and CA systems in the U.S.
  - enlist the aide of consumers to look for marks of conformity assessment
  - have the support of all governments to root out false marks of conformity
  - work with CPSC to establish a system that meets agency needs with existing private system of standards