

January 30, 2017

The Hon. Elliot F. Kaye Chairman U.S. Consumer Product Safety Commission 4330 East West Highway Bethesda, Maryland 20814

Re: Response to RILA on Current Window Coverings Voluntary Standards Process

Dear Chairman Kaye:

I am in receipt of your response letter to the Retail Industry Leaders Association (RILA) regarding the current voluntary standard process for corded window coverings. I am writing to respond to your letter because it contains several inaccuracies, misstatements and false allegations. I do wish you would have contacted WCMA prior to sending your letter because, unfortunately, the comments contained in the letter and your apparent bias has now potentially undermined the current standards setting process. It is unfortunate that you put at risk the hard work of so many industry members and other stakeholders by making these unfounded allegations.

In particular, your letter makes allegations about the transparency of the standards setting process. These allegations are simply false. WCMA made a commitment to you and to CPSC that it would be transparent and inclusive in the standard revision process and we have met and exceeded that commitment.

As you know, over the past year, WCMA and its member companies have kept CPSC informed of its activities and plans for updating the voluntary standard. During each major step of the process, WCMA explained to CPSC staff where WCMA was in the process. Furthermore, WCMA reviewed and substantiated the potential approach of the revision with CPSC staff, gathered feedback from the CPSC staff, and discussed next steps and timing. Following each meeting and communication with CPSC, WCMA was encouraged by CPSC staff to continue to follow the stock/custom segmentation approach that had been presented during our technical meeting on August 3, 2016. That is the direction the standard development has taken throughout this process.

Your letter states that there is a "...perceived lack of transparency into how proposals are moved through the process and who is permitted to have a say, and to what extent, on proposals at various stages." I can only assume that the statements in your letter are the result of inaccurate second hand reporting, as you have not been in attendance for any of the meetings or numerous telephone conferences that have occurred over the past four months and we have not spoken directly.

At each of these meetings and conference calls, all comments and proposals were received and reviewed by those present. Issues that required additional attention were moved to a Task Group for further discussion and resolution. As for one of the alternate proposals, it was received by WCMA on December 28, 2016 and was presented and discussed at the Steering Committee meeting on January 10, 2017. WCMA received an additional proposal on January 12, 2017. That proposal will be reviewed by the WCMA membership with the feedback presented to the Steering Committee.

I'd like to also review the process to update the standard that WCMA has followed to date.

The process began in January 2016. WCMA members reviewed several approaches to standard revision. The various approaches were reviewed based on the following consideration: the revision to the standard should satisfy the dual goals of addressing the largest segment of units produced and the largest segment where incidents occurred, while at the same time, satisfying the request by manufacturers and retailers that safe corded products continue to be allowed so that customer bases requiring a corded product (including consumers who purchase corded products because of mounting locations, dexterity limitations, or physical challenges) would have access to them. Additionally, the manufacturers needed to make a proposal to revise the standard in a way that they were confident they could meet—from a product/operating system development perspective—by 2018 (i.e. the expected effective date for the contemplated revised standard). Another consideration was a desire to gain consensus on a proposal that could be approved quickly. All of this was targeted to be accomplished so that WCMA could meet CPSC's stated goal of submitting the standard for ANSI ballot by the end of 2016.

After this review of several segmentation possibilities, it was decided that the best way to satisfy these requirements would be a standard based on segmenting into stock versus custom products, with stock products required to be cordless, have inaccessible cords, or only short cords. This approach was supported by a review of the hazard data that shows that a vast majority of incidents identified by CPSC take place on stock products. By segmenting the market so that the stock category was "cordless only," it would have the most immediate and significant impact on reducing strangulation risk for young children.

WCMA presented the concept of segmenting the market to CPSC in August 2016. WCMA received a letter from George Borlase on August 31, 2016 encouraging the WCMA to proceed with this segmentation approach. After receiving encouragement from CPSC staff, WCMA proceeded to begin the revision through the "Accredited Canvass Method" administered by the American National Standards Institute (ANSI). In this process, the draft standard typically would be sent out for canvass to a balanced group of manufacturers, consumer advocates, retailers, government entities, test labs and those with general interest (the Canvass Body). A two-thirds vote of this diverse group is required for the standard to be approved. All comments submitted by this group are public and must be considered.

Typically in this ANSI process, stakeholder involvement begins <u>only after</u> the draft standard is developed by the accredited standard developer, in this case WCMA. However, in an effort to be as inclusive, transparent and accommodating as possible, WCMA created a Standard Steering Committee that included CPSC staff, consumer groups, retailers and other stakeholders in an effort to obtain input to the draft standard <u>before</u> it was submitted to canvass. In other words,

WCMA sought input from these groups on drafting the standard much earlier in the standard development process than is required or typically done.

During these Steering Committee meetings and conference calls, all stakeholders were invited to comment and discuss the proposed stock versus custom segmentation approach, the definition of "stock" products, the development of new warning labels and other aspects of the revised standards. This process has been fully transparent, as all activity has been conducted through open meetings and task groups. During this process, the definition of "stock" was made as broad as possible within the proposed segmentation framework in order to meet what was clearly the CPSC's desire to have the maximum amount of products required to be cordless or only have inaccessible cords, and to eliminate potential loopholes to these requirements for those companies who sell stock products through internet channels. The new pictogram and label language are also examples of comments received from the stakeholders that have been incorporated into the current working draft. The debate and discussion was spirited and intense, but progress was being made toward finalizing an updated standard.

As we have discussed, on December 28, 2016, one of the companies who objected to the stock versus custom segmentation submitted its own proposal. On January 12, 2017, consumer groups sent an outline of a proposal to segment the market by product size. While WCMA members had repeatedly rejected the approaches in these proposals in the past because they rely on new technologies that are not yet available and cannot be achieved for at least several years, WCMA committed to circulate these proposals to its members and was in the process of doing so when your January 19 letter to RILA was sent to me. WCMA members will vote on these proposals and provide feedback to the Steering Committee. That is why an accusation of a lack of transparency is confusing and lacks merit.

There is nothing stopping retailers from only selling cordless products today, tomorrow, or in 2018. However, when they make a commitment to you to go cordless in-stores only, it is the manufacturers who must come up with a solution so that they have product to sell. This is a manufacturers' standard, and it is manufacturers who have allowed the market to come this far in offering cordless products as a result of manufacturing R&D and innovations.

RILA members comprise approximately 30% of the window covering products retail market. WCMA is focused on inclusivity and all stakeholders being represented, therefore WCMA reviewed the proposed direction with all of its members – both large and small companies—in developing its stock versus custom approach. A vast majority of the market consists of smaller dealers, workrooms and retailers who are not represented by RILA. It is WCMA's responsibility to ensure that the interests of these businesses are not excluded from consideration in the process.

WCMA members will make the final determination on the best way to segment the market. Some members have pointed out that the CPSC staff claim that they reviewed all known incidents between 1996 and 2016. CPSC's data (within the "size metric") almost certainly includes incidents involving roman shades and other products with accessible rear cords capable of forming a hazardous loop. As these products have been effectively addressed by prior standard revisions, the number of products the "hybrid" proposal would address is likely closer to the same percentage as a segmentation by stock versus custom products.

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Considerable progress was being made in updating the safety standard in a way that would have the most impact in the shortest amount of time. Unfortunately, your letter containing unfounded accusations sent to an association that represents no members of WCMA and represents just 30 percent of the retail sales of window covering products has the potential to undermine this process.

WCMA is proud and stands behind the work done to date by its members in collaboration with retailers, consumer groups, CPSC staff and other stakeholders to update the standard. As always, I am available to meet with you should you have any questions regarding the window covering safety standard and the process that WCMA is following to update the standard.

Sincerely,

Ralph Vasami

Executive Director, WCMA

cc: S. Joe Bhatia, President and CEO, American National Standards Institute
Ann Marie Buerkle, Vice-Chair, US Consumer Product Safety Commission