



THE BRITISH FURNITURE CONFEDERATION

The single voice of the furniture & bed industry

## Political Notebook – April 2009

A monthly activity report from the British Furniture Confederation

### 1. Credit Insurance

The British Furniture Confederation has won a significant victory in its campaign to persuade the Government to improve the availability of credit insurance for businesses across the country. It required a number of meetings with MPs and civil servants; the continued weight of parliamentary questions; an Early Day Motion which has attracted 47 signatures to date; and a high profile letter to the Times. But in the end, that pressure paid off!

In Alastair Darling's Budget he confirmed that the Government would address this significant problem. Firms will be able to purchase up to six months top-up cover as part of the Government's support for the trade credit insurance market. Under the scheme, which went live on the 1<sup>st</sup> May and runs until 31<sup>st</sup> December this year, suppliers will be able to purchase Government-backed insurance to either restore cover to the original level or double the amount they are able to obtain from the private sector up to the value of £1m (whichever is the lower). The Government finances available for the scheme will cover up to £5 billion worth of claims.

This is a great change to existing policy and one which the BFC broadly welcomes. In various meetings, the Government had previously told the BFC that the imposition of a credit insurance support scheme would be too difficult. Finally, the hard work of our campaign has paid off.

**However, despite the BFC's efforts, these new proposals are not perfect; the BFC still has more work to do.**

The scheme does not cover firms which had their credit insurance cover reduced before April 1<sup>st</sup>, nor does it include those who have had their credit insurance completely removed. In addition, the scheme is only short term and if the poor economic conditions continue then firms will only find this new scheme provides a brief respite. Because of these problems, it will unfairly penalise those worse hit by the drying up of credit insurance.

As a result, the BFC is working hard to persuade the Government to back date the effect of this announcement to the Autumn of 2008. The Early Day Motion will remain active and the BFC is still encouraging MPs to sign up and support the campaign. EDMs last for the whole of a parliamentary session, so it's important to ensure that the Government sees the level of support for the British furniture industry. In addition the BFC is planning to meet with the

BERR again and is drafting further parliamentary questions. We will update members with our progress.

## **2. 18<sup>th</sup> May - Flammability Regulation Guidebook Launch**

After a lot of hard work BFC's Flammability Regulation Guidebook has been proofed, printed and is ready to be published. The guide will address all issues of fire and flame and provide up to date guidance on the problems which have troubled upholsterers, furniture manufacturers and suppliers alike. As many of you know, the regulations have been in existence for over 20 years and are estimated to have saved up to 1860 lives. However, they are complex and the BFC felt that there was an urgent need to produce an updated Guide that clarifies ambiguities, addresses misinterpretations and outlines the responsibilities of all those involved in the supply, manufacture and retailing of upholstered furniture.

We are pleased to announce that Madeleine Moon MP, Chair of the All-Party Parliamentary Furniture Industry Group, will launch the report at the Furniture Makers' Hall (12 Austin Friars London EC2N 2HE) on the 18<sup>th</sup> May. The event will start at 1.30pm. After the official launch there will be an update of the BFC's recent activities and an opportunity to discuss and shape its agenda for 2009. At the moment the launch is booked to capacity but there is a reserve list for attendance. For more information you can contact the BFC Secretary, Dr Peter Beele.

## **3. Early Day Motion update**

This month the Early Day Motions have received new signatures from supportive MPs. Chris McCafferty MP has signed the credit insurance EDM taking the total number of signatures to 47. For the BFC's Ask If It Is Great British Campaign, there has been a great response. Bill Etherington MP, Hywel Francis MP, Kim Howells MP, Sammy Wilson MP, and, again, Chris McCafferty MP have all added their names to the list. We now have 44 MPs as supporters, but the more the merrier, so please do encourage your local MP to sign both EDMs 952 and 500.

For a full list of the MPs who are signed up as supporters of our EDMs please see the bottom of this document.

**ENDS**

### Editors' Notes

The British Furniture Confederation (BFC) acts a single voice for UK furniture and bed manufacturers. Led by an executive, comprising representatives of BCFA, BFM, FIRA and NBF, and supported by associate members (AMUSF, GMB, Proskills and WCFM), its mission is to ensure that the UK furniture industry has a strong and sustainable dialogue with Government. Its roles include:

- Securing the long term future and prosperity of the British furniture industry
- Raising the profile of the industry at a political level

- Formulating strategies for dealing with key industry issues
- Engaging in dialogue and negotiating with Government on these issues
- Working with the All Party Parliamentary Furniture Group to promote cross party discussion and to meet with senior influencers within Government agencies
- Ensuring that the industry gains the recognition and attention that its size deserves

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**EDM 952**

**ASK IF IT IS GREAT BRITISH FURNITURE  
CAMPAIGN**

03.03.2009

**Moon, Madeleine**

44 signatures

Borrow, David S	<i>Browne, Jeremy</i>	Burgon, Colin
Campbell, Gregory	Campbell, Ronnie	Caton, Martin
Corbyn, Jeremy	Cryer, Ann	Dean, Janet
Dismore, Andrew	Dobbin, Jim	Dodds, Nigel
Drew, David	Etherington, Bill	Foster, Michael Jabez
Francis, Hywel	<i>Goodman, Paul</i>	Hancock, Mike
Hemming, John	Howells, Kim	Iddon, Brian
Jenkins, Brian	Jones, Lynne	Leech, John
McCafferty, Chris	Moffatt, Laura	Osborne, Sandra
Pope, Greg	<i>Prentice, Gordon</i>	Riordan, Linda
Robinson, Iris	Rowen, Paul	Simpson, Alan
<i>Spink, Bob</i>	<i>Taylor, David</i>	Vis, Rudi
Williams, Betty	Williams, Mark	Williams, Stephen
Willis, Phil	Wilshire, David	Wilson, Sammy
Winterton, Nicholas		

That this House acknowledges the importance of the furniture manufacturing industry to the UK economy, with an annual output of almost £10 billion and direct employment of around 124,000 people within 7,500 enterprises; notes the Ask If It Is Great British Furniture campaign, as featured on the BBC 2 programme, Working Lunch and in the national press; emphasises the qualities of British furniture which comes from craft skills which have been conceived, developed and perfected over many years, decades and centuries of tradition, producing inspirational designs, from the most traditional manufacturing methods, with the most stringent environmental and health and safety standards, the shortest delivery times and the best after-sales service; and further notes that the campaign is an important initiative that should be supported and

applauded.

**EDM 500**

**CREDIT INSURANCE AND THE FURNITURE  
MANUFACTURING INDUSTRY**

19.01.2009

**Moon, Madeleine**

47 signatures

Anderson, David	Austin, John	Battle, John
Bottomley, Peter	Burden, Richard	Caton, Martin
Corbyn, Jeremy	Crausby, David	Cryer, Ann
Dean, Janet	Devine, Jim	<i>Dismore, Andrew</i>
<i>Dobbin, Jim</i>	Dobson, Frank	<i>Doran, Frank</i>
Drew, David	Durkan, Mark	Etherington, Bill
Evans, Nigel	Francis, Hywel	Hancock, Mike
<i>Henderson, Doug</i>	<i>Hopkins, Kelvin</i>	Howells, Kim
Hoyle, Lindsay	Illsley, Eric	Jenkins, Brian
Jones, Lynne	McCafferty, Chris	McCartney, Ian
McDonnell, Alasdair	McDonnell, John	McGuire, Anne
Meale, Alan	Osborne, Sandra	Prentice, Gordon
Robinson, Iris	Roy, Lindsay	Simpson, Alan
Simpson, David	Singh, Marsha	Taylor, Dari
Taylor, David	Wareing, Robert N	Williams, Betty
Winterton, Nicholas		

That this House acknowledges the importance of the furniture manufacturing industry to the UK economy, with an annual output of almost £10 billion and direct employment of around 124,000 people within 7,500 enterprises; further notes the problem of obtaining credit insurance in light of the economic downturn particularly in the furniture manufacturing industry; and recognises that credit insurance companies are promoting panic by removing insurance cover from furniture manufacturers and their suppliers, often without basing such action upon the risk involved or the financial

viability of the individuals or firms involved.