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The European Water Label is a voluntary labelling scheme aimed at educating the consumer on water use enabling an informed choice to be made at point of sale.

This paper acknowledges the introduction and progress of the European Water Label scheme to date, highlights the aspirations for continued growth in registering brands and products and sets out the actions to raise greater visibility of the label in the market place. It provides ambitious plans to expand the Scheme to embrace other water using products and determines the foundations necessary to deliver the European Water Label across EU28.

Introduction

The European Water Label, a voluntary industry led Scheme, open to all companies selling water using bathroom products, was developed and introduced in the UK during 2007. By 2012 the Scheme embraced additional European nuances and was positively adopted by CEIR, the European Association for taps and showers and is now gathering greater traction across Italy, Ireland, Turkey, Germany and Spain. In 2014 FECS, the European Association for sanitaryware formally adopted the Scheme and the criteria enhanced to embrace the distinctions across the European sanitaryware Industry.

The European Water Label has 66 major brands registered from businesses across Europe, and an expanding database of registered products. The database is regularly cleansed and only brands and products found in the market are retained. *See Appendices.*

The Industry has a vision that by building on this voluntary initiative they can support the European Commission's goals of reducing water, energy and carbon emissions across a wide portfolio of water using bathroom products and to expand the Label in due course to other water using products including water butts, micro drip irrigation systems, pressure washers etc.

In the UK, where the Scheme was developed, there is greater uptake, support and now visibility of the label appearing in the market. *See Appendices.* Major retailers, grocers, merchants are displaying the label on product, shelves, websites and supporting literature. Progress is also being made to include the Water Label on internet trading websites. The formation of a Water using Products Group, under the WRAP initiative, bringing together representatives from merchants, retailers, NGO's, Utilities and UK government department Defra, has had a positive influence on discussion, debate and direction of the European Water Label. This group has played a pivotal role in improving knowledge, understanding and generating support in delivering the water efficiency message to the wider market and encouraging suppliers of water using products to register on the European Water Label scheme.

The foundations to replicate this across Europe have now been firmly laid, with the whole of the bathroom industry now embracing and working together towards one labelling scheme. The formation of a European Committee will drive forward the ambitions of the Scheme. The Committee will bring together representatives from all sectors including, NGO's, merchants, retailers and manufacturers, thus providing an open and transparent platform.

Milestones achieved have been significant since the formation of the Scheme in 2007. Key targets for its continued development have been identified and already gaining traction. This programme for action shows the broader targets broken down into realistic goals for manufacturers, merchants, retailers and other supporters to work towards.

The registered brands and supporting database of products across the 12 categories captured by the Scheme currently represents over 85%* of the UK bathroom market in sales value. Manufacturers, merchants and retailers are actively working towards high visibility of the label on packaging, literature and web sites. The label will be seen in over 5,000 merchant and retail stores in the UK from early 2015, this has already begun, see attached showing a shower handset in a Tesco store.

Water efficiency is seen as a key purchase point by consumers with published market reports now providing evidence of market growth in these sectors. It is reported that the water efficiency market in the UK for brassware is in excess of £60m accounting for over 35% of this market. Water efficiency WC's market has exceeded £35m this being over 20% of the UK sanitaryware market. The shower market in the UK is evenly split between electric and mixer showers. Electric showers deliver below 8 litres when seasonally adjusted with mixer showers deemed as efficient accounting for over £40m of sales which is some 25% of the market. This clearly shows the market penetration, growth and direction with manufacturers now fully embracing sustainability elements with new designs, embedded technology that delivers the same performance using less natural resource.**

Over the last 5 years the market has seen greater % of products being introduced that include, click, timed, sensor, digitable technologies with showers incorporating aerating technology, flow controllers and lower flow products. WC suites offer lower single or dual flush action using less than 4.5*** litres per flush. This clearly shows that the Industry is embrace water efficiency across sanitaryware products and positively channelling the message to the end user, thus aiding in behaviour change.

**BRG Bathroom Report*

*** Market data confidentially supplied*

**** Average effective flush based on 3:1*

Scope

The Scheme embraces 12 categories of bathroom water using products; WC's, baths, taps (including Kitchen), showers (electrics, handsets, valves) flow regulators, independent flushing cisterns, urinal controllers, replacement WC flushing devices and grey water products and will during the coming months incorporate other water using categories such as pressure washers and irrigation systems etc.

The Scheme is a voluntary initiative that provides sufficient information, allowing the consumer to understand water flow and volumes of products and thus aids selection.

UK Targets 2014

The formation of the WRAP Water using Products Group, bringing together major players from the merchant, retailer, manufacturer, NGO, government and Water Utility sectors has been pivotal in raising awareness and securing firm commitment by stakeholders to embracing the European Water Label Scheme.

The globalisation of the bathroom sector, thus ensures that these representatives are drawn from companies that are major players across other European states, and allows a quicker transition into these markets by the European Water Label.

The following provides key targets for the Scheme's onward development in the UK and Europe. The targets address many aspects of development, monitoring, governance at European level and future administration requirements.

Fourth Quarter 2014

- A Water Label event is to be held in London and will provide a platform to raise awareness of the Scheme and to court interest from other parties to further the cause. The event will bring together 250 key personnel from NGO's, Water Utilities, the Media, manufacturers, distributors, MP's Environmentalists and other retailers and merchants. This event will provide the platform to disseminate greater information on the Scheme
- Identify and target further stakeholders in support of the European Water Label
- Report overall % of volume of sales of water labelled products in the UK
- Promote and highlight products that carry the label, providing clear evidence of how the water label can be displayed
- Provide evidence of competitive advantage gained from registration of products
- Provide greater information on the European Water Label and water efficiency messaging
- A high percentage of Water Label registered parties to be promoting the Water Label on their website and to their staff
 - Following a recent survey, manufacturers, merchants and retailers are on course to have European Water Label information on web sites by the end of 2014, with others following throughout 2015 as websites are updated
 - As online brochures are refreshed they too will carry the European Water Label information label appearing along side the registered product
- Commence research, identifying relevant criteria of first non-bathroom products to be registered on the Water Label
 - Dialogue has been initiated with a major European manufacturer of water using garden products to identify relevant criteria enabling them to embrace the European Water Label. As a champion/stakeholder has now been identified, further buy in by other manufacturers will drive this voluntary initiative forward and court further stakeholders
- Utilising the Water Utilities Water Efficiency Managers Network providing access to 27 million homes in the UK, attract greater support in dissemination of information on the European Water Label supported by other water efficiency messaging.
- Increase the database of registered products to 10,000
- Develop and release a series of marketing communications material to ensure cohesive messaging to drive behaviour change

As the Scheme continues to evolve the following targets have been set for 2015

Quarter One

- Evaluate the targets set for 2014 and achievements attained
 - Using the UK Steering Committee platform assess the key targets achieved for 2014, identify level of achievement and where necessary amend target
- POS information and brochures to carry European Water Label marketing information

- Promote the benefits of carrying the label and engaging with retailers and merchants on the competitive advantage, this will improve visibility of the label and supporting information in the market place
- Provide an easily accessible communications 'toolkit' enabling easy marketing material to be developed, thus creating a cohesive marketing campaign
- Seek commitment from stakeholders that all newly launched water using bathroom products to be registered and carry European Water Label information at point of selection, product literature, and website to aid consumer choice
 - Via the WRAP Water Using Products Group engage with retailers and merchants to gain their commitment and insist that all suppliers and their products are registered and to embrace extended water efficiency information in keeping with how they sell products in store
- Encourage the development and delivery of a series of training workshops for merchant and retailer training staff to educate internal staff on the merits of the European Water Label
 - Develop relevant instore training packages
- First product criteria for non bathroom products developed and seek input from other stakeholders using existing Trade Bodies within their sector
- Building on the foundations already laid in 2014 continue to raise awareness of the European Water Label via consumer and trade PR campaign reaching an audience in excess of 10 million.
- Undertake the annual electronic audit together with market surveillance of literature, web sites and other supporting literature ensuring products and display of label are compliant with Scheme rules.
 - Call a computer generated random list of products, informing brand which products are required to undertake the audit with the third party test house. If third party approval has already been awarded, paper verification will be undertaken by the Schemes administration function.

Quarter Two

- Expand registration of product on the Scheme to over 50% of the UK market of water using bathroom products across the 12 categories of the Scheme
 - Undertake market survey with registered brands to clarify claim
- Identify a framework to enable reporting of growth of market share of registered products
 - Using published data ascertain and verify brand market share
 - Seek commitment from registered brands to provide annual updates on progress made towards their commitment
 - Seek to verify via desk research
- Set target of 40% of new water using bathroom products to carry Water Label on packaging where customer selects product in store, product literature, and website to aid consumer choice and seek commitment that all new products introduced will be registered and carry the label
 - Undertake market survey to verify

Quarter Three

- Evaluate, increase and where necessary set new targets following a 6 month review of key goals
 - Undertake market survey on success achieved to date via the UK Steering Committee
- Report overall % volume of sales of Water Labelled products in UK
- First non-bathroom products commence carrying the European Water Label

As the Scheme progresses targets identified during 2015 will be repeated as these targets become an annual activity

Quarter One 2016:

- 80% of all water using bathroom products, included in the 12 categories of the scheme, registered
 - Identify market share of registered brands and ascertain the level of registration for water using products
 - Verify level of registration by undertaking desk top research
- Evaluate success and progress of the European Water Label to date
- Identify further stakeholders to gain greater coverage
- Develop new road map, addressing areas for implementation
- Commence annual audit of registered products

Coverage To date

The registered brand stakeholders for the UK market supporting the European Water Label for baths and sanitaryware is currently 89%* of this market sector. These brands are systematically working in registering all water using bathroom products onto the Scheme.

The brands are actively labelling products, including on web sites and product literature and evidence of this is appearing in the market place.

Coverage across the brassware market sees 80%* of this market currently supporting the Scheme and in correlation with the sanitaryware and bath market is also working towards labelling all products.

The published shower market data* identifies that brand stakeholders registered under the shower category of the Scheme is 82% of the shower mixer market and 94% of the electric shower market. The top three manufacturers in both categories with market shares of 53% and 85% respectively are nearing completion of all of their products being registered and working towards full visibility of the label during 2015.

*BRG report

EUROPEAN 28 STATES

Introduction

The introduction and success of the Water Label in the UK was viewed by European colleagues as an initiative that could be as successful across all EU28 States in raising awareness of water use to the consumer, enabling them to make an informed choice at point of purchase and during the research stage.

Partnership with CEIR and FECS has provided the ideal platforms bringing together key experts from many EU States, thus ensuring that the review of the existing criteria was all encompassing. 2012 saw CEIR formally adopt the Scheme following revisions to the taps and shower categories, that brought additional technical criteria nuances and embraced National aspects across EU28. CEIR membership is now actively working in support of the Scheme and securing additional registered

Brands, stakeholders and products across EU28. See appendices for the latest information on registrations across EU28.

The European tap and shower market currently enjoyed by the registered brands is approximately 52% of the market. These brands are now working with the Scheme to ensure all products are listed for all EU28 States and have visibility of the Label within these States. With the coming together of two existing labelling schemes; Well (EU-nited) and the European Water Label, this will attract positive support for the label going forward.

F ECS have now reached consensus on the review of the sanitaryware section that embraces Class 1 and Class 2 criteria in keeping with EN 997 Classifications. Support of the label is strong in this area and the Scheme already has support from the major Brands across EU28 that accounts for 44% of the European Sanitaryware market, this is before any major announcement of the revisions undertaken, which is likely to be later 2014. These Brands are already progressing a programme of full labelling for their bathroom water using products.

Extensive market research has identified those brands across EU28 which have to be brought into the Scheme – see attached appendices. Further market research has been carried out to identify key stakeholders within the merchant and retail sector.

An ambitious programme has commenced to actively promote and seek further support for the European Water Label across all EU States. The following provides the key goals and identifies timeline for achievements.

Quarter Four 2014

- The formation of the European Governance Committee with the inaugural meeting taking place, with representatives from the following sectors; manufacturers, merchants, retailers, a Consumer NGO and an European Environmental Group. Representatives from the European Commission and the Water Utilities will also be invited to participate. The first meeting of the Committee will take place before the end of 2014. The Committee will ensure activity is open and transparent and will undertake all the necessary activity such as audit, research and verification reports as required to full fill the European Commissions guidelines on voluntary initiatives.
- The Governance Committee will report on progress and call an annual meeting of all stakeholders to enable their voice to be heard and influence direction.
See appendices for further information on European Governance and European Water Label Structure
- To create a framework and seek support, enabling a network of National Steering Committees to be formed that will aid in developing and delivering the European Water Label in EU Member States:
 - Develop a framework that is supported by European Governance Committee
 - Utilise relationships and partnerships with National Trade Bodies across all relevant sectors to disseminate information and generate further interest
- Continue in partnership with EU-nited and other stakeholders in bringing together the Well Scheme and the European Water Label to form one Label
- Agree and introduce a series of icons depicting additional efficiency technologies including an enegy element for taps and showers
- Disseminate the revised audit process to all stakeholders, which provides a new platform, allowing all National third party test houses, that met the Scheme criteria for test houses, to undertake product audit in accordance with the Scheme rules.

Quarter One 2015

- Host a European Summit in Brussels bringing together all interested stakeholders to drive forward the ambitions of the Scheme.
 - Utilising relationships with National Trade Bodies and NGO's across EU 28, secure a large representation from the wider European Bathroom market that includes merchants, retailers, distributors and NGO's,
 - Identify key market players to engage with the European Water Label
 - Engage with MEP's and European Minister to further the cause of the European Water Label
- Circulate a revised criteria to all stakeholders for additional comment following successful outcome of discussion with EU-nited
 - Advise all stakeholders of outcome and seek their support
 - Address any issues forthcoming
- Undertake a refresh of the European Water Label web site ensuring inclusion of the revised criteria following the review of sanitaryware sector
 - Provide a facility to allow additional comment to be made on any aspect of the Scheme
 - Include growth reports on how the Scheme is developing across EU28
 - Provide the facility for inclusion of any supported roadmaps for future developments
- Develop a methodology of reporting the ongoing success of the European Water Label based on the model developed in the UK
 - Engage at European level with the merchant and retailer organisations to identify a path to implement this methodology
- Undertake the annual audit advising registered brands accordingly
- Develop a consumer calculator, enabling the user to calculate their energy use in accordance with their property, utility cost and actual product

Quarter Two 2015

- Identify key media contacts across EU 28 to disseminate information on the European Water Label
- Build a strong brand across EU States that will be the catalyst of consumer/trade campaign
 - To ensure cohesive messaging during the development of the 'brand' working in partnership with a network of trade bodies supported by NGO's and other interested parties, disseminate water efficiency messaging on a regular basis
- Implement new criteria, advising all stakeholders
- Undertake a visible presence at ISH, major European Exhibition encouraging all stakeholders who are exhibiting to have a high visibility of the European Water Label on their stand
 - Engage with show organisers to have a high visibility of the label in all exhibition material
 - Encourage all registered brands to display the European Water Label alongside appropriate registered product
 - Develop and distribute a series of cohesive literature at the show
- Evaluate the effectiveness of the European Water Label, using base data from 2013 on the number of registered products that fall within each gradient on the label, ascertaining if there is any movement from the higher flow/volume categories to the more efficient, thus showing market transformation
- Implement the agreed methodology with channels to market
- Review the findings of the evaluation against published data to ascertain areas for improvement

Quarter Three 2015

- Continue to build the 'brand' via the network of media titles
- Undertake a meeting of National Steering Committees elected Chair's to appraise the level of interest in supporting the European Water Label
- Call an Annual Meeting of all stakeholders to provide a platform for updating all on progress and provide an opportunity for all to voice any concerns/comments
- Introduce new discussion platform to identify and influence the adoption of new categories

Quarter Four 2015

- Evaluate success achieved
- Address outstanding issues
- Make public all progress reports, including minutes from Annual Meeting of stakeholders

As the Scheme progresses the key goals identified during 2015 should be analysed and if goals were under achieved the Governance Committee working with National Steering Committees should identify key targets for 2016.

Annual reports, meetings, verification and audits will become necessary ongoing activity to show market transformation aided by the increased visibility of the label in the market place.

STRUCTURE OF THE EUROPEAN WATER LABEL

The European Water Label is currently owned by the Water Label Company which is a private company with 1 share. See appendices on the 'Structure'. The Bathroom Manufacturers Association is the owner of that share and is currently supporting the Scheme by £120,000 in addition to the income generated. The vision is for the Scheme to become self funding from increased registrations of brands and products within an 18 month period.

The attached appendices show the projected income as it is estimated that an income in excess of £250,000 is required to run the Scheme effectively. The current income is underpinned by additional resource provided by the Bathroom Manufacturers Association.

ADMINISTRATION

The administration function of the Scheme is undertaken by the Bathroom Manufacturers Association at its offices based in North Staffordshire England. Discussions and research have commenced to relocate this function to more central European location in due time.

GROWTH OF THE SCHEME

An analysis of the current market, main stakeholders and market share across EU28 has identified key stakeholders within the manufacturing and merchant base. Participation by these is paramount to the ongoing success of the Scheme. Taking a lead from the continued success of the label in the UK, commitment by major retailers, merchants and distributors across EU28 will ensure that suppliers from outside of the European Union participate in the Scheme and improve visibility, acceptability and have a greater understanding of water efficiency initiatives.

CONCLUSION

The European Water Label has great potential to achieve the goals of the European Commission and disseminate greater information to the consumer on water use, associated energy and influence a change in consumer behaviour.

Nine years investment and commitment by the wider bathroom Industry is now seeing the Scheme influence in the market place and take the consumer on the water efficiency journey.

The announcement by the European Commission following the conclusion of the ***Preparatory Study for Taps and Showers*** will influence the ongoing development of the European Water Label for taps and showers. It should be noted that the European Water Label will continue for the other bathroom water using product categories and the development of additional categories in other sectors. One label that is cross sectoral and comprehensive therefore offers a more cost effective solution.

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