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The European Water Label is an Industry wide supported voluntary labelling scheme for water using products. The Scheme's primary role is to educate the consumer on water use and using water wisely, thus enabling an informed choice to be made at point of sale.

This paper acknowledges the progress made, highlights the milestones achieved, on going development including the introduction of energy methodology, sets out the aspirations for future expansion in registering brands, products and raising visibility. The paper outlines the actions necessary to be undertaken by all Stakeholders in the Schemes quest for greater visibility of the label in the market place.

This paper also provides ambitious plans to expand the Scheme to embrace other water using products such as garden, kitchen and determines the means required to deliver the European Water Label across EU28.

OVERVIEW

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 in 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 the European Union. In 2014 FECS, the European Association for ceramic sanitaryware formally adopted the Scheme and the criteria has been enhanced to embrace the distinctions across the European ceramic sanitaryware Industry.

The European Water Label is the only European Scheme that embraces all water using bathroom products which has been developed by the broader Industry for use by the Industry.

As of June 2015, the European Water Label is currently supported by 92 major brands registered from businesses trading in the European bathroom market with country brands now being registered for Germany, Romania, Poland and Hungary. This progress will see greater presence of the label. An expanding database has seen over 8,300 individual product registrations since it began. The database is regularly cleansed and only brands and products found in the market are retained. In addition the Scheme is supported by 39 champions who disseminate information across the differing market sectors, thus ensuring the continual flow of information into the market place.

Annexe A depicts the strength of the European Water Label and its supporters.

The Industry has a vision that by building on these solid foundations this voluntary initiative 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 non bathroom related water using products, including water butts, micro drip irrigation systems, pressure washers etc. Progress is being made as dialogue continues with the garden product manufacturers and the shower pump manufacturers in the development of an appropriate label.

It is recognised that collaboration with water utilities, merchants, distributors, retailers and installers across the European market is pivotal to raising awareness of the Label and equally importantly the broader water efficiency message.

Positive discussions are taking place with major merchants across EU28 who are now seeking to join the Scheme and advising their suppliers that they must register relevant products on to the Scheme.

Product alone will not deliver efficiencies, behaviour change, good quality product with no less performance go hand in hand. Individually they cannot succeed, collectively they triumph!

THE SCHEME & GROWTH

During the last 8 years the European Water Label has emerged as the major labelling scheme across Europe for water using bathroom products. A Scheme that has evolved from humble beginnings to one that embraces 13 product categories supported by 3 major European 3rd party test houses, 3 major European trade bodies and 5 National bodies plus the Industry weight of 92 major bathroom brands.



Product registrations cover all 13 product categories, with products labelled across all 5 label grades. Research has clearly identified that water in the domestic environment is mainly consumed by taps, showers and WC flushing and therefore it is no surprise that the Scheme has high representation of these products.

Annexe B, provides an overview on current product registrations falling within the tap, shower and WC criteria.

LANDMARKS

During the last 8 years as the Scheme has gone from a small idea into a flourishing European Water Label, it is worth noting the key milestones achieved along the journey.

2005	The seed is sown
2006	Discussion commences with manufacturers
2007	Water Efficiency Product Labelling Scheme launched
2009	changed name to Water Label
2009	first 1,000 products registered on the Scheme
2010	Discussion with CEIR and its membership commenced
2012	European Water Label launched
2012	The Water Label Company formed
2012	Major merchants and retailers pledge to support the Scheme
2013	1 st visibility of the Label at ISH Exhibition
2013	Discussion with FECS and its membership commenced
2013	First panel discussion between CEIR, FECS, EWL, FEST and EDRA held
2014	A suite of marketing and education material introduced and available direct from the Scheme website for all to use
2014	European Water Label seeing greater visibility in the market place – see examples under Annexe C
2015	FECS receive written commitment from its membership
2015	Registered brands reach a milestone of 90+ products
2015	CSTB, French test house join the Scheme
2015	High visibility of the European Water Label at ISH 2015

- 2015** Media event held during ISH 2015 to raise awareness of the Scheme. This event was well attended by over 70 people.
- 2015** Regular meetings with EDRA, FEST, CEIR, FECS and the European Water Label to promote the Scheme and encourage greater participation by retailers and merchants
- 2015** Over 8,000 products having being registered on the Scheme supported by 92 major European bathroom brands

Milestones achieved have been significant since the formation of the Scheme in 2007. Key targets for its continued development are regularly identified and success monitored. As the market embraces the Scheme further targets are set, monitored and progress recorded.

In 2012 the first 'Scheme Overview/Road Map' was produced and identified key goals, administration and running costs to progress the Scheme to full independence. Progress followed and each year a full report on progress, milestones achieved and setting new goals is issued.

Key goals set in 2014 identified the necessity for the introduction of marketing and educational material that registered brands can use both internally and externally, creating a strong cohesive Industry message. This material is now fully available to all, direct from the Scheme website. Further goals that were agreed and met include the introduction of technical and energy icons that provide the consumer with additional information on energy use and innovative differentiation for comparison between products. The Scheme is on course in its development of a network of National Agents to promote the Scheme and with this in mind the Water Label Lawyers are developing an 'Agreement', thus ensuring the Scheme criteria and rules are adhered to at National level.

During the last 12 months the Scheme website and literature has undergone a refresh and aligns itself with the marketing and educational material creating a strong brand.

As manufacturers emerge from the worst recession ever encountered by the European Bathroom Industry, it is clear to see that progress is being made as manufacturers embrace the Scheme by the growth of registered brands and products and the inclusion of the label within websites, literature, packaging and product – *See Annexe C*

MARKET INFORMATION

During the last 12 months the European bathroom market has seen many changes, restructure, companies dissolving and going into liquidation and the introduction of new channels to market to name a few. This of course changes the dynamics of the players in the market place. However, the Labelling Scheme continues to flourish and has steadily increased the market share it represents. Based on a 2013 market report (BRG) the market share of the current registered brands is 56% of the tap/shower market and 55% of the Sanitaryware market and growing!

The Scheme is now working closely with the registered brands to label all products that fall within the Scheme criteria. 2015 has seen a positive step forward with the label now being included in all new marketing material.

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 £100,000 annually in addition to the income generated. The vision is for the Scheme to become self funding from increased registrations of brands and products within the next 12 months.

An income of a minimum of £250,000 annually is required to run the Scheme effectively, with additional monies over fixed expenditure costs covering marketing aspects.

The Scheme is working towards full independence and as such this road map identifies steps that take the Scheme to independence status by the end of 2016.

ADMINISTRATION

The administration function of the Scheme is undertaken by the Bathroom Manufacturers Association at its offices based in North Staffordshire England.

The Scheme operating functions are overseen at European level with input from FECS and CEIR. It is recognised that as the Scheme becomes widely accepted across Europe as voluntary labelling scheme for water using products that a formal structure is implemented.

With this in mind, and once the income has reached the appropriate level then the Water Label Company should become an independent body with an elected board from registered brands and/or supporters.

GOVERNANCE

As the Scheme moves to independence status a Board will be elected with representatives taken from the registered Stakeholders:

- Manufacturers, distributors, merchants
- Water utilities, NGO's
- Retailers
- National Government and/or Commission
- Trade Bodies

As the Scheme is European, representatives on the Board must address issues at a European level. The Board should be no more than 12 elected representatives, in addition to the CEO of the Water Label Company.

Responsibilities of the Board include:

- Overseeing income and expenditure, addressing any arising issues
- Identify lobbying activity and the implementation required
- Set and aid delivery of key targets for the ongoing development of the Scheme

Discussion is ongoing to have the Governance Board in place by the end of 2016.

NATIONAL PLATFORMS

The Scheme must remain, open, transparent and above all credible. All Stakeholders must have the opportunity to input and influence the progress, direction and ongoing development at European and National levels.

With this in mind and due to the broad diverse location of Stakeholders and the nuances of national requirements, National bodies will be encouraged to set up National Platforms.

National platforms will be open and transparent and allow National Stakeholders to raise issues and influence future developments of the Scheme with any National nuance.

All comments will be aired, viewed and considered at Board level, prior to being submitted to the Governance Committee.

National platforms will have the following format:

- Elected Chair from Stakeholders for a 1 year period
- Secretary
- Representatives from interested parties

ANNUAL GENERAL MEETING

Each year at General Meetings held by the European and National Associations, the European Water Label is discussed in detail, progress highlighted, identify additional areas for improvement and court further support. It is proposed that 2016, will see the European Water host its own annual meeting, allowing all Stakeholders and interested parties to attend. This meeting will address necessary actions and issues raised either directly or via National Platforms. It will become a platform for all to engage and network at the same time as advancing the Scheme forward.

AGENT AGREEMENT

To aid in the growth of the Scheme across EU, The Water Label Company is working in partnership with National bodies who represent the sectors of the bathroom Industry. These National bodies will be recognised as 'Agents' and as such enter into an agreement to promote and progress the Scheme within their territory. The Water Label Company Lawyer has prepared a legally binding contract between both parties.

SCHEME FUNDING

As previously identified the income generated from the Scheme during 2014 was £120,000. A three year forecast on growth and income is attached, this identifies that in 2017 the income is forecast at the threshold for the Scheme to become self funding and independent.

If the income during 2016 meets the forecast then progress can be made on the formation of the elected Board and undertake the legal steps necessary to amend the Water Label Company. Discussion should also commence before the end of 2016 to identify the necessary steps, resource and funding required to transfer the ownership of the IP and company shares.

EXPANSION OF THE SCHEME

An analysis of the current market, Industry players 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 who sell within the boundaries of the Scheme participate in the Scheme.

Greater visibility of the label is also key for the consumer. Research indicates that 80% of consumers undertake research via websites, select and purchase via many channels to market. The plumber and/or installer is influential when selecting the most suitable product for the individual consumer

needs and compatibility with the building and infrastructure, which is key to ensuring efficiency measures.

Key milestones for 2015 and 2016 have been identified as:

- Reach a milestone of 100 brands registered onto the Scheme
- Reach a milestone of 10,000 products registered
- Raise visibility on websites
- Encourage the inclusion of the Label in all marketing literature
- Translate the Scheme into National languages; German, Spanish, French, Italian, Turkish
- Undertake research before end of 2015 to ascertain major merchants, retailers, manufacturers and Trade bodies in countries such as Poland, Bulgaria, Hungary and Nordic countries to form relationship to enhance the Scheme
- Enhance portfolio of Agents in Portugal, Italy, Germany, Poland, Bulgaria and France
- Build a stronger network of partners across EU28
- Formation of a network of National Platforms
- Annual platform for all Stakeholders to input into the direction of the Scheme

MARKETING THE SCHEME

The Scheme is supported by 39 bodies who have pledged to disseminate information to all sectors of the European Bathroom Industry, these include water utilities, media titles, trade bodies across installer, merchant, retailer sectors and consumer groups. By utilising the National Platforms across EU28 greater awareness of the Label and wider dissemination of the water, energy link and efficiency messaging can be undertaken and achieve greater success.

To date the message disseminated by the Scheme has reached an audience of over 10.1 million. This excludes exhibitions, with ISH shows in 2013 and 2015 welcoming over 350,000 people.

The Scheme magazine *Water for Life*, issued biennially has been distributed to over 10's thousand readers across Europe both in paper and electronic formats and is also available from the Schemes website. The magazine highlights why water and energy efficiency is so important, why Industry must take the lead, it features various water efficiency initiatives and informs the reader on the development of the European Water Label.

The Scheme continues to issue regular information, press releases and dialogues with partners.

Working in partnership with FECS and CEIR members translation of the Scheme is already under way into German, Italian, French and Spanish, thereby making the Scheme more attractive to the consumer. Once this is complete the National Associations will market the fact out to the consumer.

PARTNERSHIPS

Foundations already laid and continual dialogue with partners is now seeing positive progress with the Scheme. Three major European Associations representing the bathroom industry now fully support the Scheme with full support by 7 National Associations pledging to promote and raise participation from countries; Germany, Spain, Italy, Portugal, France, Turkey and the UK. Expanding these partnerships into other countries will strengthen the Scheme.

Research is already underway to expand market knowledge, identify key partners, merchants and retailers in Poland, Bulgaria, Hungary and the Nordic countries.

Discussions are ongoing to expand partnerships with National installer groups as these have been identified as a key principle in the selection process.

Dialogue has begun with other National labelling schemes to ascertain a way forward in bringing all Schemes into one.

CONCLUSION

The European Water Label is an Industry backed voluntary initiative. The criteria has been harmonised to accommodate the nuances of EU28, written by technical experts working together with colleagues across Europe. It is the only Scheme that is fully European and one that addresses all bathroom products and working to expand into other water using product sectors.

The Scheme has the right credentials and support to aid the European Commission in achieving their goals in reducing water and associated energy. The Scheme disseminates the wider efficiency message in a cohesive way to influence the consumer immaterial of the channel to market through strong cohesive marketing material.

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** which has been delayed for over 12 months will not reflect the positive change undertaken by manufacturers, whose new products are now more efficient and use less water and energy, yet deliver the performance the consumer has come to expect.

The European Water Label is the only Scheme that covers all categories and as such will continue for the other water using product categories. One label that is cross sectoral and comprehensive therefore offers a more cost effective solution.

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