

Queensland furniture makers help fire-ravaged Tasmanian school to recover

In early January, bushfires swept through the south-east Tasmanian town of Dunalley, destroying more than one hundred buildings, including the local primary school.



In record time, the debris from the fire was cleared up, and transportable buildings were brought in so that the 130 students got off to the new school year on time. But, as so often happens, and despite generous donations of everything from musical instruments to books, not everything could be replaced overnight.

AFRDI testing officer Phil Steers had the idea of approaching two Queensland manufacturers whose products AFRDI was testing.

The result was the donation of a truck load of tables, bookshelves, cupboards and seating. One manufacturer, Matthew Moore, said his company, BFX, would make more donations if further help was needed.



Above: All that remained of the school after the fires. Photo: The Mercury

Left: AFRDI's Richard Levett and Jai Larkman with stadium seating.



Left: John Foster and Michael Townley take a well-earned breather. Their employer, Formby Removals, freighted the goods 250 km to Dunalley at no charge.



AFRDI BOARD MEETS IN LAUNCESTON



Above and left: In AFRDI's remodeled conditioning room, the board examines a one-piece plastic monobloc chair. AFRDI is making major input to the upgrading of AS/NZS 3813, the Standard for monobloc chairs.



Above: Technical Officer Phil Steers demonstrates stability testing.

Deputy chairman Mark Copperwaite (**right**) examines a new chair testing machine developed in-house at AFRDI. Machine simulates forces applied when a person rises from a chair.



Above: Joe Mimmo talks with Dr Lee Bowkett, leader of AFRDI's Green Tick program.



Technical manager Ian Burton (**left**) demonstrating the importance of measuring up before testing.



Dane Walsh with Brian Spencer in the machine shop.

It's all a matter of balance...

Some people are trying it on, and AFRDI won't tolerate it any more

All too frequently lately, we find that it is easy to adopt a bunker mentality, a condition brought on by the number of people who are obviously of the opinion that our IP should be theirs to use as they please – all, of course, at no charge.

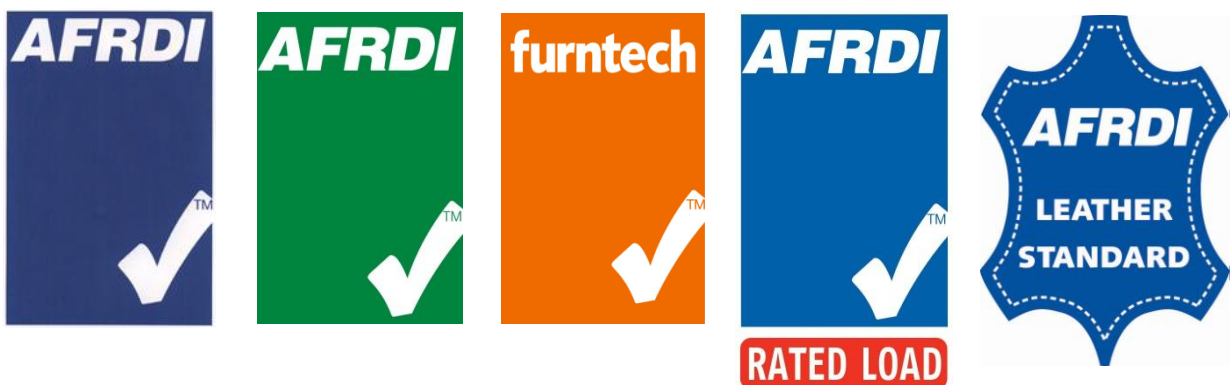
Instead of concentrating wholly on the positives of how to provide the best service, and to ensure that AFRDI remains relevant, increasingly our time is taken up in what should be the unnecessary task of policing misuse of our logos and our name.

At a time when Australian Consumer Law (ACL), using plain English to govern advertising and marketing claims, is available for everyone in business to study, it seems amazing that so many traders choose either deliberately or unwittingly (there's little if any difference in law) to flout the regulations.

ACL makes it clear that advertisers may be called on to explain their claims - issues such as exaggerated 'weight ratings' for office chairs come to mind. Similarly, misleading advertising may attract heavy penalties at the hands of the ACCC – the placement of the AFRDI Blue Tick (ABT) logo on Websites and in catalogues to imply universal ABT certification when only a single item or a handful is so qualified would be an example.

To 'dob in' somebody goes against the Australian ethos of mateship and a 'fair go'. Regrettably, we find ourselves asking that if you – as an AFRDI member – come across examples of misuse of the AFRDI logo, or false use of certification claims, it would be a great help to us and to the industry in general that you inform us. For the past 18 months, we have been very actively following up on misuse of our IP and trademarks but, if anything, the tide of logo misuse continues virtually unabated. We should all be very clear about the considerable dangers these practices pose to our industry. The honorable traders who play by the rules and who promote the value of testing plus certification are being duded by the industry cowboys who also perceive the value of the AFRDI offering, but don't want to pay for the work that goes into it.

Keeping our industry strong, and with a product that consumers know they can trust, surely must be in everyone's interests for the long haul. (see also following page)



UNSURE ABOUT WHERE YOU CAN USE OUR LOGOS?

Visit the AFRDI Webpage www.furntech.org.au and look under Blue Tick and Other Services, where proper usage guidelines are spelt out in detail.

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The ACCC administers Australian Consumer Law and, to assist businesses to understand their obligations, has published notes for assistance.

On the issue of misleading advertising, the guide is clear:

Businesses are not allowed to make statements that are incorrect or likely to create a false impression.

This rule applies to their advertising, their product packaging, and any information provided by their staff or online shopping services. It also applies to any statements made by businesses in the media or online, such as testimonials on their websites or social media pages.

For example, businesses cannot make false claims about:

- the quality, style, model or history of a product or service
- whether the goods are new
- the sponsorship, performance characteristics, accessories, benefits or use of products and services
- the availability of repair facilities or spare parts
- the need for the goods or services
- any exclusions on the goods and services

It makes no difference whether the business intended to mislead you or not. If the overall impression left by a business's advertisement, promotion, quotation, statement or other representation creates a misleading impression—such as to the price, value or the quality of any goods and services—then the behaviour is likely to breach the law.

There is one exception to this rule. Sometimes businesses may use wildly exaggerated or vague claims about a product or service that no one could possibly treat seriously or find misleading.

For example, a restaurant claims they have the 'best steaks on earth'. These types of claims are known as 'puffery' and are not considered misleading.

In summary, Australian Consumer Law prohibits businesses from engaging in behaviour which:

- actually misleads or deceives, or
- is likely to mislead or deceive

This behaviour can be through personal discussions or negotiations, print advertisements, or a number of other varieties of communication.

Office furniture projected to see modest growth in US this year

The office furniture industry will continue to move with the US economy, posting modest growth in 2013 and then accelerating next year, according to a report by HIS Global Insight for the Business and Institutional Furniture Manufacturers Association (BIFMA).

Shipment growth of 2.1% is predicted, lifting shipments to \$US 9.5 billion. Longer term, the outlook is slightly more upbeat, with the ratings agency Moody's predicting 2% growth in real GDP for the first half of this year, climbing to 3% in the second half.

Standing up for better health in the workplace

There's a good deal of evidence that standing, rather than sitting, is better for the health of office workers.

Here at AFRDI, we have a first-hand example in the form of administration officer Jill Stancombe, who uses the capabilities of an adjustable height desk to the full, spending some of her work day standing, the remainder sitting.

Jill has suffered for some time with passing back pain problems and, seeing the passing parade of work stations at AFRDI, put in a request for her own height adjustable table. It's now become a regular sight in the AFRDI office to see Jill paging through spreadsheets and other documentation, all while standing.

Jill's not alone. A recent newspaper article claimed that standing desks are selling like hot cakes in the US – perhaps in an attempt to counter the effect that actual hot cakes have had on the nation's waistlines.

And the New York Times reported that '... a closer look at the accumulating research on sitting reveals something more intriguing, and disturbing: the health hazards of sitting for long stretches are significant even for people who are quite active when they're not sitting down.'

The New York Times further reports that 'scientists have determined that after an hour or more of sitting, the production of enzymes that burn fat in the body declines by as much as 90 percent. Extended sitting slows the body's metabolism of glucose and lowers the levels of good (HDL) cholesterol in the blood. Those are risk factors toward developing heart disease and Type 2 diabetes.'



Jill says simply: "Standing eases back pain. I find that after standing for a couple of days, I can go back to sitting down again."

And if standing leads to better long-term health, any excuse for standing is probably a good one!

Closing the loopholes on illegal logging

From Allen Broome, secretary of the Timber Veneer Association of Australia, comes a warning of impending Australian legislation applying to the importation of timber which has been illegally logged .

Members who import any timber products need to make sure that they do not 'INTENTIONALLY, KNOWINGLY OR RECKLESSLY IMPORT TIMBER PRODUCTS THAT HAVE BEEN ILLEGALLY LOGGED'. Relevant members should ask their overseas suppliers questions about the product being purchased, such as -

- Country of origin and/or harvest
- Have the products been illegally logged?

Allen further advises that should members be challenged at any time it is important to be able to demonstrate that purchases of imported timbers have not been made in a reckless manner.

The new regulations are expected to come into full force in November next year.

ISSUES OF INTEREST

The Ford Motor Company has embarked on a five year global strategy to reduce waste sent to landfill by around 40%.

Tackling the problem of waste on a broad front, Ford is working with global suppliers to use more eco-friendly packaging. The company itself is in the process of identifying the five largest (by volume) waste to landfill streams at each of its plants.

Ford says it will also refine lean manufacturing processes and waste sorting to make recycling and re-use easier.

America's AT&T says emissions could be reduced considerably by the widespread adoption of machine-to-machine (M2M) technologies.

M2M technologies make possible the connectivity of physical infrastructure and devices, reducing the amount of expended energy and fuel needed to execute tasks.

AT&T points to the process of power generation as a good example of where M2M technology could be applied, through efficiencies in transmission, distribution and use of power.

Other sectors likely to benefit are transport, agriculture and the built environment.

The US Environmental Leader reports that in a study by Duke University, more than half of all couches tested contained potentially toxic or untested chemical flame retardants that may pose a risk to human health.

The study analysed 102 polyurethane foam samples from couches purchased in the US.

One of the chemicals of concern is **Tris**, a chlorinated flame retardant, and considered a probable human carcinogen based on animal studies. New York and 11 other states are now launching efforts to restrict chlorinated Tris, but they are still widely used as a flame retardant to meet the requirements of California Technical Bulletin 117 (**TB117**).

This calls for all residential furniture to be able to withstand a 12-second exposure to a small open flame without igniting. Because of the economic importance of the California market, TB117 has become a de facto national standard. The study also named **PentaDBE** (an endocrine disrupter) as a chemical of concern in older couches.

A British company, Flute Office, has won the Furniture Industry Research Association (FIRA) innovation award for a desk made from 100% recycled cardboard.

The **FlutePRO** range is the result of four years research and development. Five years ago, the company's founders sold their conventional furniture dealership to develop something which they felt was more relevant to the needs of businesses in the 21st century.

The result is a desk that is light enough for one person to move, strong enough to park a car on (should one wish to!) can be supplied in any colour, and can be recycled and remanufactured should changing needs or fashions dictate.

Company directors said they foresaw a new office landscape in which nothing is permanent, and where everything is designed to be used only as long as needed.

Advantages of the cardboard-based furniture are said to include huge savings in weight, rapid assembly without the need for tools, reduced facilities management costs, short lead times, flexibility in colour and finish, and zero end of life costs.

Incidentally, the product has passed British and European standards for strength, stability, safety and fire resistance in order to be deemed fit for commercial use. Testing established that it can take a top load of 1700kg, despite only weighing 15kg itself.

Resting forearms on the hard edges of desks, tables and other work surfaces can lead to contact stress.

A study commissioned by Steelcase and conducted by the University of Washington found that soft edges on work surfaces ease pressure on the forearms by distributing the load over a larger more compliant surface.

Steelcase and a number of other manufacturers have responded to the report by developing low profile replaceable soft edges for desks and other work surfaces.

Food for thought: It's been reported in a national survey on recycling plastic, that Australia is a little off the pace, with 1.4 million tonnes of plastic produced, but just 20% of that amount recycled...in other words, more than one million tonnes going into landfill.

Think smarter by leveraging from the Federal Government's new R&D Tax Incentive

There are changes to the R&D Tax Incentive which everyone in the furnishing industry should be aware of and, at the same time, how AFRDI can help extract maximum value from the incentive, while minimising investment inputs.

The Incentive provides eligible entities with a tax offset on eligible R&D activities, and for the decline in value of depreciating assets used for eligible R&D activities. (*The R&D Tax Incentive replaces the existing R&D Tax Concession for income years commencing on or after 1 July 2011*).

The R&D Incentive has two core components:

- a 45 per cent refundable tax offset (equivalent to a 150 per cent deduction) to eligible entities with an aggregated turnover of less than \$20 million a year
- a non-refundable 40 cent tax offset (equivalent to 133 per cent deduction) to all other eligible entities

The objectives of the scheme are to provide a tax offset to make eligible companies more competitive and improve productivity by

- encouraging industry to conduct R&D that may otherwise have not been conducted
- providing business with more predictable, less complex support, and
- improving the incentive for smaller firms to engage in R&D

R&D activities must meet certain criteria to be eligible and are categorised as either **Core R&D** activities or **Supporting R&D activities**.

Core activities are experimental activities whose outcome cannot be known or determined in advance on the basis of current knowledge, information or experience, but can only be determined by applying a systematic progression of work that proceeds from hypothesis to experiment, observation and evaluation, and leads to logical conclusions and that are conducted for the purpose of generating new knowledge (including new knowledge in the form of improved materials, products, devices, processes or services).

An activity is eligible as a **supporting R&D** activity where:

- It is directly related to a core R&D activity (for an activity to be directly related, the activity needs to have a direct, close and relatively immediate relationship with the core R&D activity)) or
- For certain activities, it has been undertaken for the dominant purpose of supporting core R&D activities.

The key eligible R&D amounts that a company can take into account in calculating their offsets are referred to as Notional Deductions (ND), and these must reach at least \$20,000 (the threshold level) for an income year in order to claim a R&D Tax offset.

Because AFRDI is a Registered Research Agency, able to do research work on behalf of clients, the threshold amount is considerably lower, meaning that companies can engage AFRDI to carry out research work when their ND is as little as \$5,000.

AFRDI has the ability to give advice and preliminary testing on prototypes, where designs may be breaking new ground.