Product Safety and Industry

Research Report

BEIS Research Paper

Contents

1. Executive Summary

Background

One goal of the Office for Product Safety and Standards (OPSS) is to strengthen the evidence base for the development of product safety policy, delivery, and enforcement. As such, it launched its Strategic Research Programme in May 2018 and, in August of the same year, its strategy for strengthening product safety[1]. Central to both of these initiatives is a suite of research projects to build on the OPSS's understanding of the actors within the system; their attitudes, current behaviours, and how Government may seek to impact on those behaviours. Research to date had primarily focussed on the views and behaviours of consumers in relation to product safety; this project aims to complement this existing work by building a greater understanding of supply-side issues in the system.

All fieldwork was commissioned by the Department for Business, Energy & Industrial Strategy (BEIS) and conducted by IFF Research, an independent research company. This was a mixed-method research project comprising of a qualitative and quantitative research strand. Qualitative research encompassed 84 depth interviews with a range of organisations (detailed in section 2), a focus group carried out with manufacturers and six stakeholder interviews (carried out with representatives from trade associations and other related industry bodies). Qualitative research took place between December 2019 and November 2020 and was paused for several months due to the Coronavirus (COVID-19) pandemic. The quantitative research strand consisted of a Computer Assisted Telephone Interview (CATI) survey with 1000 businesses. The survey sample consisted of manufacturers, distributors, retailers, repairers and installers working in sectors under OPSS remit. The majority of businesses surveyed operated in the clothing and electronics sector (35% and 21% respectively), however survey respondents covered a wide range of sectors including sport leisure items (11%), furniture (7%), toys and baby products (5%), large white goods (4%) and cosmetics (4%). Further detail on the sectors covered by the survey can be found in figure 1. Businesses operating solely in food, pharmaceuticals or motor vehicle sectors were screened out of the survey. Survey fieldwork ran between September and November 2020.

Throughout this report references to 'organisations interviewed' refers to the qualitative research strand, and reference to 'businesses surveyed' refers to the quantitative research strand.

Perceptions of product safety in industry

Most organisations interviewed as part of the qualitative research strand felt that product safety standards in the UK were high, and that standards have been continually improving. The UK

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[1] Strengthening national capacity for product safety: Strategy 2018-2020 - GOV.UK (www.gov.uk)

was seen to have higher standards of product safety than other countries, with UK manufacturing and UK bodies such as British Standards Industry (BSI) being generally well trusted.

As well as the high levels of product safety in the UK, many organisations spoken to in the qualitative interviews highlighted that they have their own incentives to ensure high levels of product safety, predominantly to keep and attract customers. This was echoed by survey results, in which almost a third (31%) said the primary reason for ensuring high levels of product safety standards (other than ensuring nobody was harmed) was to maintain a good business reputation, compared with just eight per cent who maintained high standards because they were legally accountable.

That is not to say organisations felt there were not challenges to ensuring high levels of safety in industry. Gaps in knowledge and areas for improvement were identified in both the qualitative and quantitative research strands which are discussed in detail later in the report. A key perception shared by many organisations spoken to in the interviews was the variation in standards between different types of businesses, with larger, more well-known businesses stereotyped as having better product safety standards than smaller businesses and sole traders.

Actions businesses take to ensure product safety

Businesses surveyed in the quantitative strand said that they undertook a range of different actions to ensure high product safety standards are upheld. Most businesses reported that they would assist with product recalls (82%) and would assist in reporting faulty or counterfeit goods (74%). Businesses in the toys/baby products and cosmetics sector were more likely to report taking these actions to ensure high product safety standards.

Although many businesses surveyed reported they would engage with product recalls, the level of engagement with product registration was low with a minority (14%) of businesses reporting they encourage consumers to register their products. For some businesses, product registration was not applicable for their products; in the white goods sector, 61% of businesses encouraged consumer to register their products. The main reasons found for encouraging consumers to register products was in order to activate a warranty (65%) and for product safety reasons (34%). Those that did encourage consumers to register their product most commonly did so via leaflets in the packaging (34%). Many organisations interviewed felt that product registration was very reliant upon consumer engagement, which was a key challenge.

Organisations interviewed identified two ways in which a product recall seems to occur; either a top-down process where a manufacturer or distributor identifies a fault and then contact retailers or distributors to make consumers aware or a bottom-up process where a fault is noticed by consumers who then contact retailers and this is then fed back up the chain to manufacturers. Issues with communication across the chain from manufacturer to the end consumer were identified in both top-down and bottom-up product recall processes.

Organisations interviewed felt that product recalls are inevitable but that many businesses lacked a full understanding of the process or who holds responsibility for product recalls within their industry. This is echoed in the quantitative phase as nearly two-thirds (60%) of businesses surveyed had not heard of the PAS 7100 Code of Practice[2] (Supporting Better Product Recalls). Although few had used PAS 7100, those that did found it useful in aiding their understanding of the product recall process.

Sources of support and information

Businesses surveyed reported suppliers (66%) and manufacturers (63%) were the most common sources of information for product safety. They were also reported as the most useful source of information (suppliers 24%; manufacturers 22%).

Organisations interviewed typically felt there were enough guidelines out there to ensure product safety standards, but felt it was down to companies themselves to implement these standards. This finding was echoed in the quantitative phase as 89% of businesses surveyed felt they had all the support and guidance needed to ensure compliance with product safety legislation. A minority of businesses surveyed felt they needed further information and support to ensure compliance. Organisations interviewed who needed more support felt they would benefit from having a singular recognized body for product safety information and a website or helpline providing clear information about current requirements.

Organisations interviewed highlighted a range of key bodies and associations they used for product safety information, such as the Cosmetic, Toiletry and Perfumery Association (CTPA), British Educational Suppliers Association (BESA) and the Association of Manufacturers of Domestic Appliances (AMDEA). These varied depending on the sector but were typically perceived to be very useful sources of up-to-date information and a key strength of the current product safety system.

Awareness and understanding of OPSS

Awareness of OPSS was low among businesses surveyed; 86% of businesses had not heard of OPSS prior to the survey. Larger businesses and those within the cosmetics sector were the most like to have heard of OPSS (26% and 25% respectively vs. 13% overall). Among those who had heard of OPSS, 40% thought they were responsible for setting guidelines for best practice relating to product safety and 31% believed their role was to ensure that guidelines and standards are met by businesses. Almost a third (30%) of businesses who had heard to OPSS were unsure of their role.

Low awareness of OPSS was echoed with organisations spoken to as part of the qualitative research; those who had interacted with OPSS tended to be specialists within the industry

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[2] PAS 7100 - Supporting Better Product Recalls | BSI (bsigroup.com)

such as legal firms, local authorities and product safety consultants. The majority of businesses who had interacted with OPSS reported the positive impact they have on the industry to regulate product safety.

Interactions with local authorities

Overall, six per cent of businesses surveyed had interacted with local authorities regarding product safety issues; rates of interaction were higher amongst the toys/baby products and cosmetics sectors (21% and 17% respectively). Amongst those who had interacted with a local authority, most did so to receive advice on complying with product safety legislation (59%) or advice regarding the appropriate use of standards with regard to product safety (55%), rather than to report dangerous or faulty goods on the market (11%). Awareness of Primary Authority Partnership was particularly low with less than one per cent of businesses surveyed reporting they held one with a local authority.

Organisations interviewed who had been visited by trading standards or approached them for guidance and advice, highly valued the support they had received. Many felt that trading standards play a crucial role in the current product safety system. Concerns were raised across organisations interviewed about resourcing cuts within local authorities and the impact this has on the capacity for trading standards to be able to respond to all issues and to proactively audit and support businesses.

Responsibility for product safety

Most businesses surveyed felt that manufacturers were primarily responsible for setting product safety standards (69%), ensuring these standards are upheld (65%), and resolving product safety issues when they arise (71%). Manufacturers themselves shared the view that they were primarily responsible. A third (33%) felt that government was responsible for setting product safety standards and 27% felt government was responsible for ensuring standards are upheld.

Organisations interviewed highlighted the complexity of assigning responsibility for the safety of a product. The majority of organisations interviewed believed that every business across the supply chain, including their own, must 'do their bit' to ensure product safety. In turn, they are very reliant on businesses further up and down the chain to 'do their bit' and have very little control if they do not. This responsibility extended to the end consumer as organisations interviewed felt they also had a role to play in purchasing only from trusted retailers and manufacturers and considering product safety when making a purchase.

A further issue identified by organisations interviewed was the reliance on the system on having an easily identifiable manufacturer (or UK importer) who can be assigned overall responsibility for the safety of the product and be held accountable if something goes wrong. Increasingly, due in large part to the growth of online marketplaces, consumers are able to buy

directly from manufacturers and suppliers overseas. In this case, organisations interviewed were not clear where responsibility would lie and who would rectify a product safety issue if identified.

Key challenges

Businesses reported a range of challenges faced by their business and by the wider industry to ensure product safety standards. Larger businesses and those in the toys/baby products, electronics and cosmetics sectors were more likely than average to report that their industry faced challenges when surveyed. Qualitative research suggests this may be because these groups are more engaged with product safety, have more product safety processes in place as a business to keep in line with regulation (such as testing), and are more aware of the issues within their own industry.

A key challenge which emerged from the qualitative research was the growth of online marketplaces (such as Amazon and Ebay). Such online marketplaces were seen to be less regulated than 'bricks and mortar' stores and were seen to be associated with a range of issues such as an increase in counterfeit or potentially unsafe products easily entering the UK market. Concerns were also raised that current model of the product safety system assumes a traditional manufacturer – distributor – retailer – consumer chain which is becoming increasingly less common as online marketplaces allow for consumers to easily buy directly from manufacturers and distributors. This is a particular issue when manufacturers are not UK based, and it is therefore difficult to identify or track who should be held responsible when a product safety issue arises.

Other key challenges discussed were around the rate of change as new or revised products are constantly entering the market. This leads to challenges for policy and regulation to 'keep up' with new products – existing guidance quickly becomes out of date for sectors with rapid change. This in turn leads to challenges for businesses to respond to new and changing regulation, for example keeping up with new testing requirements. This pressure is exacerbated by the need to keep prices low and remain competitive with other businesses, and an increase in cheap competition was a key challenge amongst many of those interviewed. Consumers were typically seen to prioritise price, rather than product safety.

Some organisations reported finding current guidance too complex. Although local authorities are seen as a valuable resource to help businesses understand current guidelines, as previously discussed a reduction in resource as well as a lack of awareness amongst some businesses of the help available leaves some unsure of where to find support. Some businesses can hire product safety consultants or employ their own product safety specialists. For others, product safety advice and training is too costly.

Future opportunities

Organisations interviewed in the qualitative research strand were asked to reflect on future opportunities which could improve the product safety system. Although some organisations felt the UK exit from the European Union was a key challenge for the product safety system, others interviewed felt it may lead to improved standards. Organisations also discussed opportunities around new and improved regulation, particularly surrounding imported goods and online marketplaces. Technological advances were also discussed, such as 'smarter' products better able to monitor and automatically respond to faults, as well as improvements in technology which could make product safety testing cheaper for businesses and more accurate. Increased awareness of product safety among consumers was also discussed as a key opportunity. Organisations interviewed shared ideas for ensuring customers can easily access information about the safety of a product and felt industry had a responsibility to ensure consumers were more informed.

2. Introduction

Background

One of the OPSS's goals is to strengthen the evidence base for the development of product safety policy, delivery, and enforcement. As such, it launched its Strategic Research Programme in May 2018 and, in August of the same year, its strategy for strengthening product safety. Central to both of these initiatives is a suite of research projects to build on the OPSS's understanding of the actors within the system; their attitudes, current behaviours, and how Government may seek to impact on those behaviours. Research to date had primarily focussed on the views and behaviours of consumers in relation to product safety; this project aims to complement this existing work by building a greater understanding of supply-side issues in the system.

Specifically, the objectives of the research were to investigate perceptions and attitudes towards product safety, and the product safety system; and to identify the extent to which these perceptions and attitudes vary across different system actors. The research also aimed to investigate the impact of emerging business models such as online platforms and new technologies.

Methodology

All fieldwork was commissioned by the Department for Business, Energy & Industrial Strategy (BEIS) and conducted by IFF Research, an independent research company. This was a mixed-method research project comprising of a qualitative and quantitative research strand. Qualitative research encompassed 84 depth interviews with businesses, a focus group carried out with manufacturers and six stakeholder interviews (carried out with representatives from trade associations and other related industry bodies). Qualitative research took place between December 2019 and November 2020 and was for a period paused due to the Coronavirus (COVID-19) pandemic. The quantitative research strand consisted of a Computer Assisted Telephone Interview (CATI) survey with 1000 businesses, covering a broad range of sectors (see figure 1). Survey fieldwork ran between 29th September and 20th November 2020.

Profile of respondents in qualitative depth interviews

Table 1 shows the profile of the respondents who took part in qualitative depth interviews.

Table 1 Number of completed depth interviews by main sector, where relevant

	Large white goods	Small electronics	Toys/baby products	Cosmetics	AI/emerging technology	Clothing for 36 months or older	Total
Retailer	2	5	5	2	-	4	18
Manufacturer	-	13	4	2	-	1	20
Installer	5	6	-	-	1	-	12
Distributor	1	6	2	1	-	1	11
Repairer	2	1	1	-	-	-	4
Total	10	31	12	5	1	6	65

Please note table shows main product type only.

In addition to the 65 respondents detailed in table 1, depth interviews were also carried out with 4 local authorities, 6 legal firms, 6 product safety consultants and 3 insurers.

Profile of respondents in the quantitative survey

Table 2 and figure 1 show a profile of the 1000 businesses who took part in the 15-minute CATI survey.

Table 2 Number of businesses surveyed by size and business type

Primary business type	Sole (0)	Micro (1-9)	Small (10-49)	Medium (50-249)	Large (250+)	Total
Retailer	77	129	23	8	6	243
Manufacturer	93	128	93	68	9	391
Installer	23	46	17	18	2	106
Distributor	22	87	39	23	13	184
Repairer	29	31	9	7	0	76
Total	244	421	181	124	30	1,000

Figure 1 Main sectors of businesses surveyed

Sector	Percentage
Clothing	35%
Electronics	21%
Sport leisure items	11%
Textiles	9%
Furniture	7%
Homeware	5%
Toys / baby products	5%
Packaging and labelling	4%
Large white goods	4%
Cosmetics	4%
Plumbing or heating components	3%

Source: IFF Non-Consumer Attitudes to Product Safety Survey 2020.
A1. Which of these best describe your business function? Base: All businesses (1000)
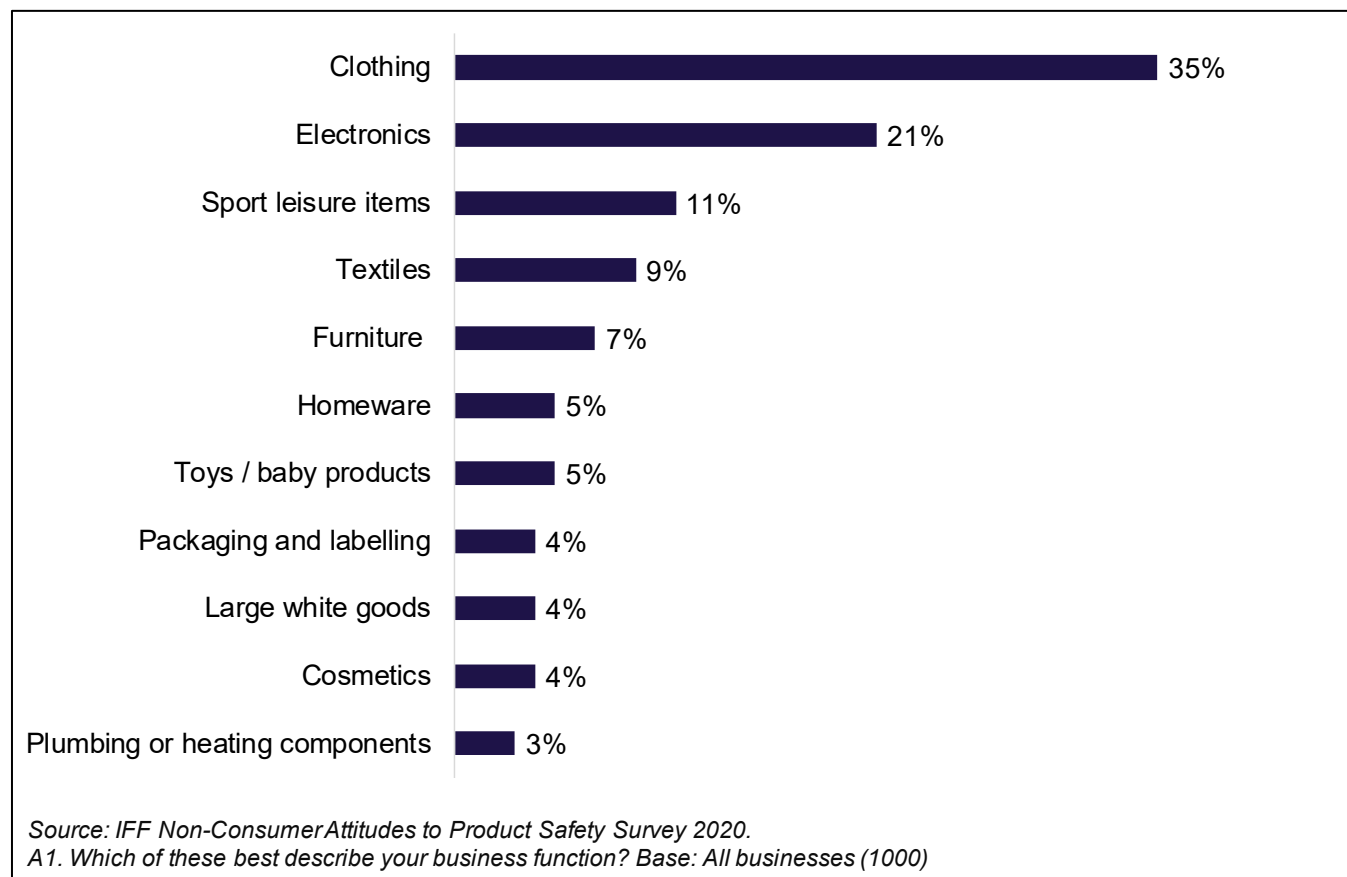
The sample was originally selected based on relevant Standard Industrial Classification (SIC) codes[3], and screener questions at the start of the survey ensured that only in scope businesses completed the survey. Responses from the quantitative survey were weighted by business type to be representative of all businesses in scope for the research. Therefore, it should be noted that quantitative survey results are representative only of businesses in scope for the research (retailers, manufacturers, distributors, repairers and installers) rather than all UK businesses.

Where results are reported from 'all businesses' (n = 1,000), the standard error based on the 'worst case scenario' of a response of 50%, at the 95% confidence level is +/- 3.1 percentage points. Results reported on a subset of respondent will be based on a smaller sample size and therefore the maximum standard error will be greater. For example, results from manufacturers only (n=375) have a standard error of +/- 5.1 percentage points (based on a response of 50% at the 95% confidence level).

Further details on the methodology,weighting approach and maximum standard error can be found in the accompanying technical report.

Reporting conventions

Throughout the report, references to 'organisations interviewed' refers to the qualitative research strand, and reference to 'businesses surveyed' refers to the quantitative research strand. Where percentages are given, these exclusively refer to quantitative survey findings.

Throughout the report references to businesses size are based on number of employees. 'Large' businesses refer to those with 250 employees or more, 'medium' refers to 100-249 employees, 'small' refers to 10-49 employees and micro refers to 1-9 employees. Sole trader refers to a self-employed business owner with no employees.

When percentages are provided in the text for sub-groups such as by size and sector, this proportion of this sub-group that gave an answer is statistically significantly different to the average of those not in this sub-group, at the 95% confidence level. The phrasing "most likely", "more likely than average" or "particularly likely" etc. is used as a shorthand for this.

Unless explicitly noted, all findings are based on weighted data. Unweighted bases (the number of responses from which the findings are derived) are displayed on tables and charts as appropriate to give an indication of the robustness of results.

Please note that results may not sum to 100% due to rounding and/or due to businesses being able to select more than one answer to a question.

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[3] SIC 2007 codes 13,14,22,26,27,21,31,95,46,47

3. Perceptions of product safety in industry

This section looks at overall perceptions of product safety standards in the UK, what works well and the motivations that businesses have to ensure standards are upheld.

Views on product safety standards in the UK

The majority of organisations that took part in the qualitative interviews believed the UK has very high standards of product safety, and the product safety system generally works well. Some discussed how the product safety system in the UK has continually improved and is much more efficient than it used to be. Organisations across industries interviewed typically trusted UK standards.

> *"If you've got UK-domiciled manufacturer then product safety works very well; all the customers we have, have a clear understanding of how to manage their quality control and that works really well." (Insurer)*

> *"Better than it was 10 years ago, and 10 years ago it was better than it was in the 90s." (Legal firm)*

The majority of organisations interviewed felt UK and Europe's product safety standards are superior to other many other parts of the world, where regulations are not as stringent. Organisations identified challenges, which will be discussed further in this report, but most felt that product safety issues in the UK industry were anomalies. Faults were typically reported to stem from individual organisations not carrying the correct actions, combined in cases with a lack of enforcement, and were not due to a lack of regulation.

> *"In the UK, EU… [it's] pretty well regulated. You take that for granted until you go to other parts of the world where that isn't the case. You do see the variances across the world…" (Manufacturer, small electronics)*

A number of organisations interviewed also highlighted the valuable role industry working groups and trade bodies played. They were seen to work effectively to share information about potentially dangerous goods and improvements in product safety and can react quickly to new challenges and help to inform regulations. Such groups were also seen to provide useful resources and support to their members regarding compliance with product safety legislation

> *"Regulations are good and there are high standards to adhere to. Working groups and technical committees made up of experts ensure regulation is up to date." (Product safety consultant, Toys)*

These findings from the qualitative interviews were supported by survey results. All businesses surveyed were asked what they think works well to ensure product safety in industry. As shown in figure 2, nearly a fifth (19%) felt that sharing of information between businesses and other organisations around product safety worked well, closely followed by a good framework of product safety legislation in the UK (14%).

Figure 2 What works well to ensure product safety within your industry

Category	Percentage
Sharing of information between businesses and other organisations around product safety	19%
A good framework of product safety legislation in the UK	14%
Consistency / reliability of everyone in the supply chain	8%
Regular checks / attention to detail / quality control processes	7%
Good training/support for employees	5%
Feedback from / communication with customers	5%
Producing high quality goods/products	4%
Other	5%
Nothing works well	5%
Don't know	29%

Source: IFF Non-Consumer Attitudes to Product Safety Survey 2020.
F2. And what do you think works well to ensure product safety within your industry? Base: All respondents (1000)

Installers and distributors were more likely to share information between businesses as they feel it works well within their industry (27%, 25% vs. 19% overall). Manufacturers, distributors, and installers were all more likely than average to say there was a good framework of legislation in the UK (18%, 18%, 26% vs. 14% overall).

Those in the cosmetics sector were also more likely than average to say these two things worked particularly well. Almost a third (30%) of those in the cosmetics sector felt that sharing of information was a key strength of the current system and a quarter (25%) agreed there was a good framework of product safety legislation in the UK.

As seen in figure 2, almost a third (29%) of businesses surveyed could not pinpoint what works well to ensure product safety in industry. However, this is discrete and separate to the five per cent who stated nothing works well. Indeed, being unsure about exactly what it is that works well may simply be an indication that there is no one good thing that stands out from all the others and potentially reflects satisfaction with the system overall. Retailers were the most likely to answer 'don't know' to this question (34% vs 29%), which may potentially be reflective of a lack of engagement, or lack of need to engage, with the product safety system. Some retailers spoken to as part of the qualitative research strand felt product safety was not an

issue for them, and only anticipated having to engage with the system if an issue arose such as a product recall.

Variance of standards across UK businesses

Although the UK overall was seen to have high product safety standards, a common theme from the qualitative interviews was that certain businesses were perceived as 'more' and 'less' safe. Commonly, UK businesses were seen to be more trusted, have higher product safety standards and produce 'safer' goods when compared with other countries. For this reason, concerns were raised about the safety of goods imported from overseas and the online marketplaces, distributors and retailers who pass these goods directly on to the consumer without carrying out their own checks and tests. To a lesser extent, larger businesses were seen to better adhere to product safety standards and were more trusted to uphold product safety than smaller businesses, in particular stalls and small shops selling electronics (for example mobile phone repair shops) were spontaneously mentioned by a number of interviewees as examples of businesses perceived to have lower product standards, potentially selling unsafe goods.

Motivations for ensuring product safety standards

Organisations interviewed as part of the qualitative research felt that the market to some extent regulated itself as there were numerous drivers to ensure that businesses produce high quality, safe products which would persist regardless of changes in legal requirements or Standards. It was suggested by some in the qualitative interviews that business reputation is an increasing concern due to higher public awareness and more potential for customers to publicly complain (for example through online platforms) in the event of a product safety issue.

> *"Public awareness and peer pressure, and actually brand damage is far more significant than legal issues." (Legal firm)*

> *"If you don't comply to product safety standards, then you find your market disappears… so it's not a case of shall we do that or not" (Manufacturer, small electronics)*

This is supported by survey findings in which a third (31%) of businesses said that the primary reason[4] (other than making sure nobody is harmed) for ensuring high levels of product safety was to maintain a good business reputation, compared with eight per cent of businesses who complied primarily because it was a legal requirement to do so (see figure 3).

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[4] Businesses were asked "Other than to make sure nobody is harmed, what is the primary reason your business ensures high levels of product safety standards?"

Figure 3 Reasons for ensuring high levels of product safety

Reason	Percentage
To maintain a good business reputation	31%
We are accountable / responsible if there is a product safety issue	12%
To ensure consumer loyalty	9%
It is a legal requirement for us to uphold these standards	8%
Our customers pay a premium for safer / more rigorously tested products	3%
Corporate social responsibility	2%
Other	2%
Not applicable	24%

Source: IFF Non-Consumer Attitudes to Product Safety Survey 2020.
E2. Other than to make sure nobody is harmed, what is the primary reason your business ensures high levels of product safety standards?
Base: All respondents (1000)

Overall, 12% of businesses reported they primarily ensured high levels of product safety because they would be held accountable or responsible if there was a product safety issue. This was more commonly reported by repairers and manufacturers (21%, 16% respectively). Certain sectors were also more likely to feel they were accountable in the event of a product safety issue; predominantly large white goods (24%), toys/baby products (23%) and cosmetics (23%).

Eight per cent of businesses surveyed said their primary reason to uphold standards (other than to make sure nobody was harmed) was because it was a legal requirement to do so. Installers were much more likely to cite this as a key reason (20%), as were businesses in the toys/baby products and cosmetics and electronics sectors (15%, 19% and 12% respectively). Businesses in the cosmetics sector were also more likely than others to report corporate social responsibility as the primary reason to uphold high standards of product safety (9% vs. 2% overall).

Medium and large sized businesses (50 + employees) were more likely to cite a range of different primary reasons for their business ensuring high levels of product safety standards. They were more likely to be driven by ensuring customer loyalty (16% vs. 9% overall) corporate social responsibility (7% vs. 2% overall) and adhering to their legal requirements (16% vs. 8% overall). This finding from the survey supports perceptions from the qualitative interviews that larger businesses are more concerned with compliance, have better defined systems, are more regulated and are more likely to try to ensure product safety compared to

smaller businesses. This might be due to their increased concerns observed above around customer loyalty, corporate responsibility, and awareness of their legal requirements.

> *"My view is that it works well and that most manufacturers or entities responsible for products act responsibly, however I am very much aware I have that view because of who my clients are… large, reputable entities who are trying to do the right thing" (Legal firm)*

As shown in figure 3, almost a quarter (24%) of businesses surveyed felt that the question was not applicable to them or that they did not have responsibility to ensure standards. This does not necessarily mean that these businesses do not feel that they have any responsibility, as the question wording accounted for the primary reason of making sure nobody is harmed. However, it does highlight an area for further exploration. The 'not applicable' response was most commonly reported by sole traders (29% vs 8% of businesses with 50+ employees) and by retailers (33%). This finding is particularly pertinent as sole traders and retailers make up a large proportion of UK businesses in scope for this research.

> *"My view is that there should be someone who is controlling the smaller independent markets, because they float underneath the radar" (Manufacturer)*

Businesses who felt that the question was not applicable or that they did not have responsibility to ensure standards (beyond ensuring nobody is harmed) were typically in less regulated areas such as clothing (30% vs 4% of those in the cosmetics sector). Indeed, some retailers surveyed in the clothing sectors were not aware there could be a safety issue with their products.

4. Actions businesses take to ensure product safety

This section looks at the range of actions businesses take to ensure high standards of product safety, including engagement with product registration and recalls.

Businesses surveyed reported undertaking several different actions to ensure high standards are upheld. The majority of businesses surveyed (82%) reported that they assist/would assist with product recalls (82%), around three quarters (74%) would assist in reporting faulty or counterfeit goods (74%) and 40% of retailers, manufacturers and distributors reported carrying out internal audits or checks on the safety of products[5].

As previously discussed, both the toys/baby products and cosmetics sectors were more likely to report they had a responsibility to ensure high product safety standards. As shown in figure 4, businesses surveyed in these two sectors were also more likely than average to report a range of actions to ensure high product safety standards.

> *"When required we use testing agencies and if we haven't got a testing agency because some of our products are specialist, we have arrangements with institutional organisations who would do testing for us." (Distributor, AI emerging technologies and toys)*

> *"Our fragrances, and fragrance houses that we use go through something called IFRA...an independent body that represents the perfume people...set global standards for their members, which is then viewed by the toxicologists who do our assessments, and also governments around the world" (Retailer, Cosmetics)*

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[5] 'Carrying out internal audits or checks on the safety of products' was only an available answer option for retailers, manufacturers and distributors.

Figure 4 Actions taken to ensure product safety

Source: IFF Non-Consumer Attitudes to Product Safety Survey 2020.
C1. I am going to read out a list of statements, and I would like you to answer yes or no as to whether the statement is applicable to you or your organisation. Do you or your organisation… Base: All businesses (1000), Toys/Baby products (52), Cosmetics (53)
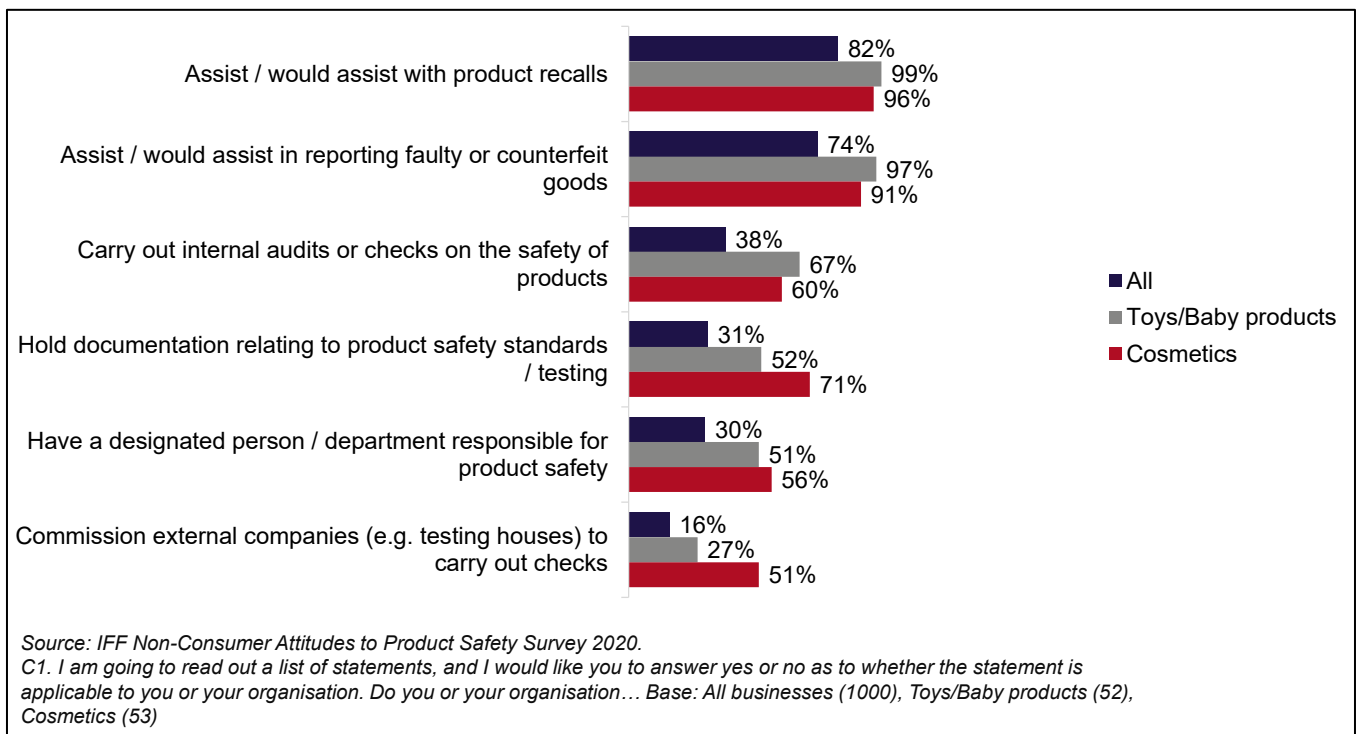
An investigation of the businesses who were more and less likely to assist in a product recall is discussed further in the next section.

Overall, 74% of businesses surveyed reported they would assist in reporting faulty or counterfeit goods; this was more commonly reported by distributors and least likely to be reported by repairers (80% vs. 59%). However, some organisations interviewed in the qualitative research strand were uncertain what actions result from the reporting of faulty or counterfeit goods and there were not always clear guidelines around how this reporting should be handled.

> "We have had our products copied and put out on eBay. There is no evidence of who is selling them, they are anonymous companies that set up – here today, gone tomorrow. We would expect trading standards to be looking at that and somebody in our organisation might point that out to them but there is nothing in our procedures to cover that." (Distributor, toys/emerging AI products)

Medium and large sized businesses were more likely than small businesses to carry out internal audits or checks on the safety of their products (77% vs. 64%). This was also more commonly reported by manufacturers (58%).

Overall, just under a third of businesses (30%) surveyed reported that they had a designated person or department responsibly for product safety. This was more commonly seen in larger businesses than smaller businesses (48% of those with 50 + employees vs. 26% of sole traders). Manufacturers and distributors were also more likely to report they had a designated person or department responsible for product safety (44% and 39% respectively).

"There will be individual risk assessments by our health and safety person."
(Manufacturer, small electronics).

Product registration

Business engagement with product registration

There is a low level of engagement among businesses with product registration. For many, such as those in the clothing sector, product registration was not available for their products. Just under two thirds (61%) of businesses in the large white goods sector encouraged consumers to register their products, compared with 28% in the electronics sectors and only three per cent in the toys sector.

Sole traders were less likely to encourage consumers to register their products (10% vs. 16% overall). However, some smaller organisations interviewed as part of the qualitative research strand explained that they kept lists of products sold to customers or knew the details of all their customers and so felt less of a need to have a formal registration process.

> *"Not required as we know where our products are and who has bought them. We know our customers intimately." (Retailer)*

> *"At the moment we know all our clients – direct contact." (Retailer)*

Installers and repairers were more likely to encourage consumers to register their products (48%, 32% respectively) and least likely were manufacturers themselves (5%), potentially as manufacturers are less likely to interact with the consumers themselves. However, the importance of product registration was highlighted by manufacturers spoken to in qualitative interviews.

> *"All our products are serial-numbered and users encouraged to go online and register the product for full warranty and aftersales support. [This means we can] go directly to the consumer in the event of a product recall, rather than having to go through the distributors and dealers." (Manufacturer, electronics)*

Organisations spoken to in the qualitative research strand felt that the product registration system was highly reliant on consumer engagement. However, product safety consultants indicate that the reasons and benefits for registering products are not clear to consumers, and a lack of understanding around why product registration is important results in low uptake among customers.

> *"So many people don't do it unless they have an incentive to do it. Unless you can have a system where the take-up rate is 80% + it's a really difficult thing to rely on." (Manufacturer)*

Reasons for encouraging product registration

Businesses who encouraged consumers were asked a spontaneous response question[6] about why they do so. Nearly two-thirds (65%) of businesses encouraged consumers to register products in order to activate a warranty. As seen in figure 5, only around a third (34%) of businesses encouraged consumers to register products for product safety reasons.

Figure 5 Reasons for encouraging product registration

In order to activate a warranty — 65%
For product safety reasons — 34%
To uphold good customer service — 13%
To collect details for marketing — 7%
Quality assurance / best practice — 3%
Legal / regulatory requirement — 3%
Other — 2%

Source: IFF Non-Consumer Attitudes to Product Safety Survey 2020.
C3. Why does your business encourage consumers to register their products?
Base: All respondents who encourage consumers to register products (187)

Manufacturers were less likely than other businesses to cite activating a warranty as a reason for encouraging consumers to register products (33% vs. 65% overall), they were significantly more likely to state upholding good customer service as a reason for encouraging product registration (35% vs. 13% overall).

As seen in figure 6, businesses surveyed encouraged consumers to register their products in several ways. The most common forms of encouragement were leaflets in packaging (34%), completing registration for their customers (14%), recommending that consumers register online (11%) and contacting the consumer after the sale via email (10%).

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[6] Answer options not read out loud to respondents. Interview coded spontaneous responses to pre-set list, with an 'other' free-text option also available.

Figure 6 How consumers were encouraged to register their products

Leaflet in packaging — 34%
We do this for our customers — 14%
Recommend customers register online — 11%
Contact customer after sale via email — 10%
Refer them to manufacturer / provide them with manufacturers documentation — 9%
Prompt consumer at point of sale in-store — 7%
Label on product — 6%
Other — 20%

Source: IFF Non-Consumer Attitudes to Product Safety Survey 2020.
C2. You mention that your business encourages consumers to register their product. How do you do this?
Base: All respondents who encourage consumers to register products (187)

Businesses in the electronics sector were the most likely to encourage their consumers through leaflets in packaging (47% vs. 34% overall). Smaller businesses and manufacturers were less likely to encourage their consumers to register their products through leaflets in packaging (10%, 12% respectively). Manufacturers were most likely to encourage product registration by contacting their consumers via email after sale (27% vs. 10% overall).

Organisations spoken to in the qualitative interviews highlighted that historically, retailers would encourage consumers to register their product instore at the point of purchase, allowing them to emphasise the importance for product recall and warranty. However, product registration is in this way is now limited by General Data Protection Regulation (GDPR)[7], as personal information cannot be passed from retailer to the manufacturer.

> *"We used to be able to do this on behalf of the customer which was efficient but because of GDPR it is now all messed up. I used to register on behalf of customers so we knew exactly what we were doing. Now we have to rely on the customers to register with the manufacturers." (Retailer, large white goods)*

> *"I offered Bosch a service where I get the customer's contact details for every Bosch product I sell and give them a monthly report so if they ever had a recall they would have the information to hand. Under GDPR Bosch cannot accept customer details from me and that is a disadvantage to the consumer." (Retailer, large white goods)*

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[7] Guide to the General Data Protection Regulation - GOV.UK (www.gov.uk)

Product recalls

As seen in figure 6, 82% of businesses surveyed would assist in the process of product recalls. However, the qualitative interviews revealed that many businesses did not have a full understanding of the product recall process or a clear picture of who holds overall responsibility for product recalls within their industry.

One way a product recall may be initiated is a top down process, whereby a manufacturer or distributor notices a fault in the testing phase or as a result of an audit and then contacts the retailers and distributors who then contact the consumers. This process is reliant on the manufacturer or distributor being able to track where all the potentially faulty goods are, which businesses discussed was a key challenge, especially when products are not registered.

> *"This happens occasionally. If we get a recall notice through then we have to take responsibility to take that product off sale and to advise those parties that the product has been sold onto as well." (Distributor, small electronics/large white goods)*

Alternatively, the process may work from the bottom up, where retailers (and perhaps installers) are informed, typically by the consumer, of issues with a product and this is fed back to the manufacturer to investigate and solve – perhaps resulting in a recall. This process is reliant on businesses knowing who to contact and being able to track the manufacturer, which was a challenge discussed by some retailers and installers interviewed.

> *"Our suppliers don't have a direct link with their own suppliers" (Retailer, small electronics)*

Businesses who are not involved in product recalls

Businesses surveyed who were less likely to be involved with product recalls were typically repairers; only two thirds (67%) of whom said they have or would assist with a recall; and those in the clothing sector (74%). Sole traders were also much less likely than larger businesses to say they assist with product recalls (79% vs. 94% of those with 50 or more employees).

Awareness of PAS 7100 Code of Practice

Although most businesses report they had or would assist with product recalls, the majority (60%) of businesses surveyed had not heard of PAS 7100 Code of Practice (Supporting Better Product Recalls)[8]. A number of businesses in the qualitative interviews also said that they were unaware of any guidelines or standard processes surrounding the product recall process, and this was more frequently reported by smaller businesses.

> *"There are no specific guidelines within the industry regarding recalls as there isn't an overarching body" (Distributor, small electronics)*

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[8] PAS 7100 - Supporting Better Product Recalls | BSI (bsigroup.com)

"Our industry is small and niche so wouldn't know if that happens in the industry or within any other company offering similar products to ourselves." (Manufacturer, small electronics)

Figure 7 Awareness of PAS 7100 code of practice

Source: IFF Non-Consumer Attitudes to Product Safety Survey 2020.
B10. Which of the following statements most closely applies to your awareness of Publicly Available Specification (PAS) 7100: Code of Practice on consumer product safety related recalls and other corrective actions?
Base: All businesses (1000). Don't know responses not charted (1%)
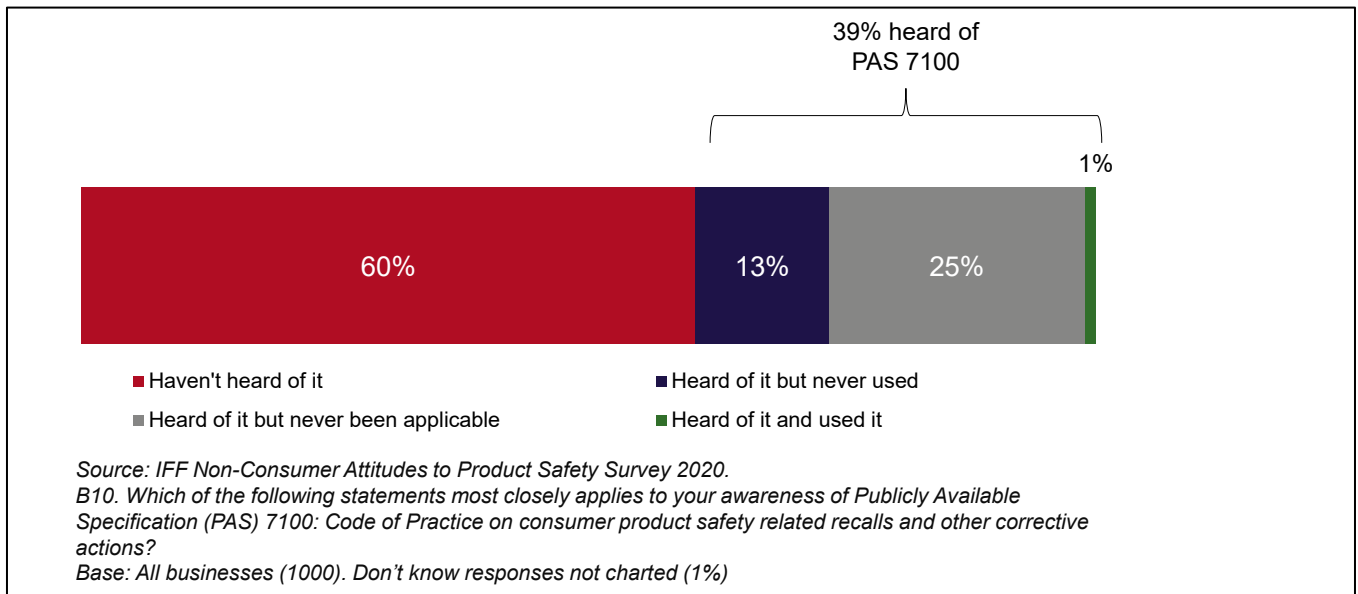
Overall, 39% of businesses were aware of PAS 7100 (see figure 7). No distinct differences in the level of awareness of PAS 7100 can be seen across industry or sector; but awareness of PAS 7100 increased significantly for those who were aware of OPSS (59% vs. 39% overall). Although awareness was typically low, 16 out of the 17 businesses surveyed who had used PAS 7100 found it useful in understanding the product recall process[9].

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[9] Due to small base size, unweighted counts are reported rather than weighted percentages.
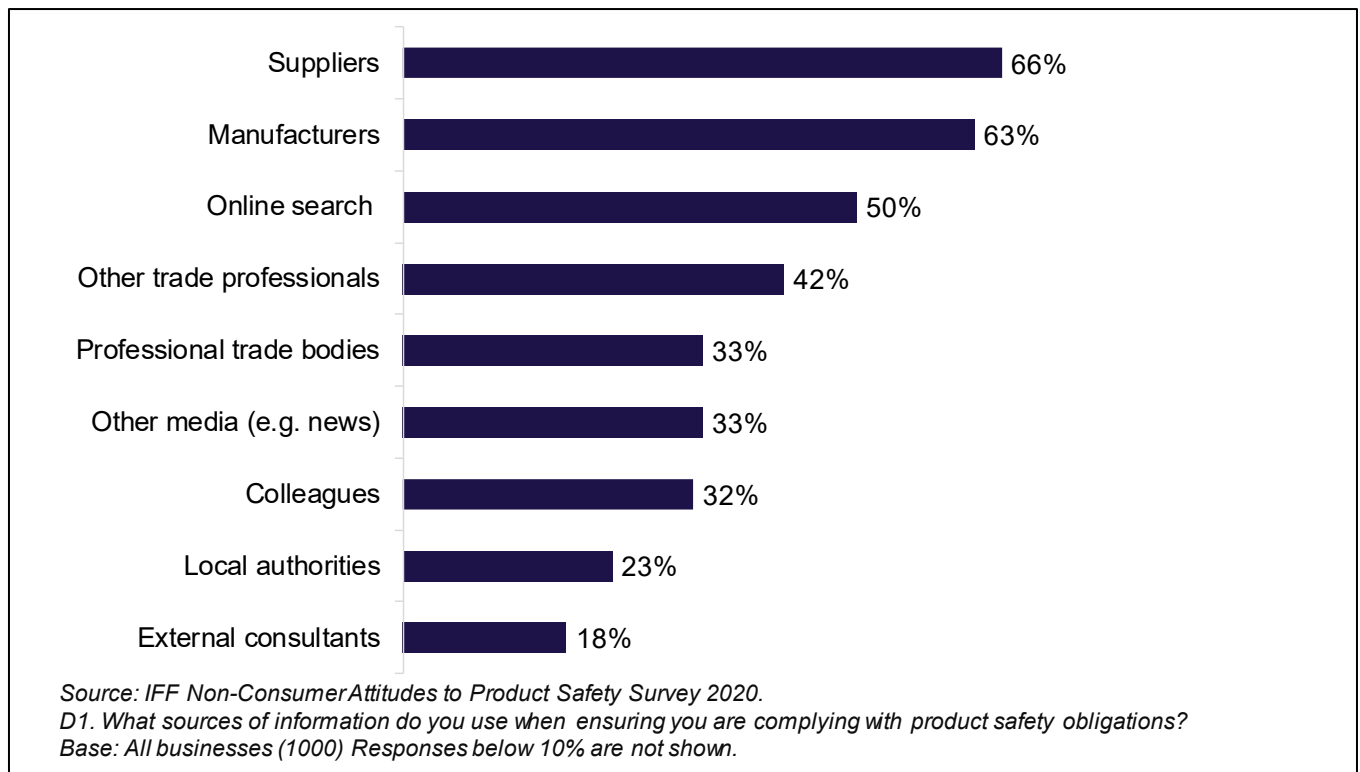
5. Sources of support and information

This section looks at the most common sources of support and information for businesses regarding product safety, and how useful this support is.

Sources of information to ensure product safety compliance

All businesses surveyed were asked which sources of information they use to ensure they comply with product safety obligations. As shown in figure 8, the most common sources of information regarding product safety were suppliers (66%), manufacturers (63%) and online searches (50%).

Figure 8 Most common sources of support

Source: IFF Non-Consumer Attitudes to Product Safety Survey 2020.
D1. What sources of information do you use when ensuring you are complying with product safety obligations?
Base: All businesses (1000) Responses below 10% are not shown.

Installers and distributors were more likely than average to report manufacturers and suppliers as their most common source of information. Over three quarters of installers and distributors (78%, 76% respectively) used manufacturers as a source of information, compared with 63% overall. Likewise, 75% of installers and 72% of distributors used suppliers as a source of information, compared with 66% overall. Installers and repairers were the most likely to get information via online searches (67%, 68% respectively vs. 50% overall) and from other trade professionals (66%, 62% respectively, vs. 42% overall).

Businesses in the cosmetics sector were more likely to report suppliers as their most common source of information (89% vs. 66% overall), whereas those in the toys/baby product sector
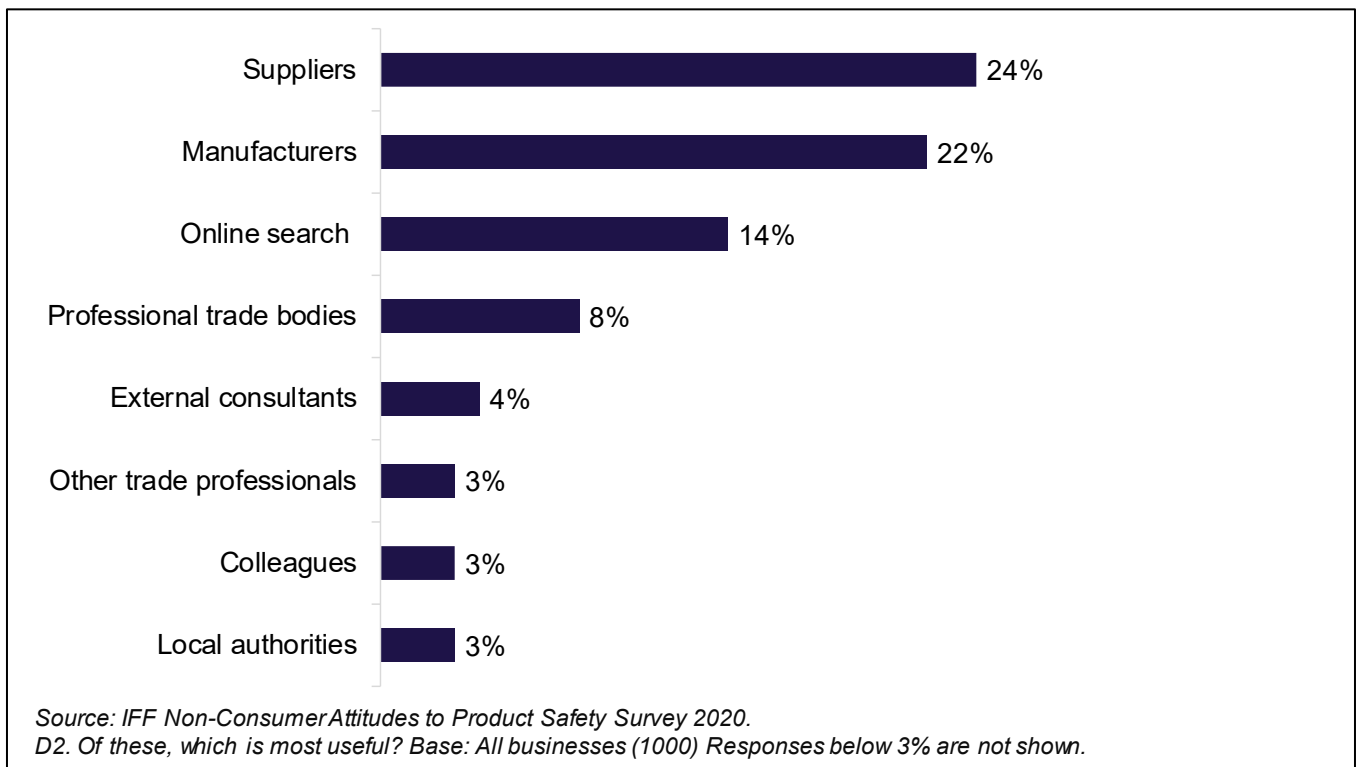
were much more likely to cite manufacturers as their source of information (77% vs. 63% overall).

These findings paint a picture of a complex, highly interconnected, system, with businesses typically relying on a wide range of sources including other people within their own industry, as well as actors further up the supply chain. As discussed in further detail in section 9, a key challenge for businesses such as retailers, repairers and installers is their reliance on accurate product safety information being provided by suppliers and manufacturers.

Most useful sources of information

All businesses surveyed were asked which source of information was most useful to ensure compliance. Following the same pattern as the most commonly used sources of information, businesses reported the most useful sources of information were suppliers (24%), manufacturers (22%) and online searches (14%).

Figure 9 Most useful source of information to ensure product safety compliance

Source	Percentage
Suppliers	24%
Manufacturers	22%
Online search	14%
Professional trade bodies	8%
External consultants	4%
Other trade professionals	3%
Colleagues	3%
Local authorities	3%

Source: IFF Non-Consumer Attitudes to Product Safety Survey 2020.
D2. Of these, which is most useful? Base: All businesses (1000) Responses below 3% are not shown.

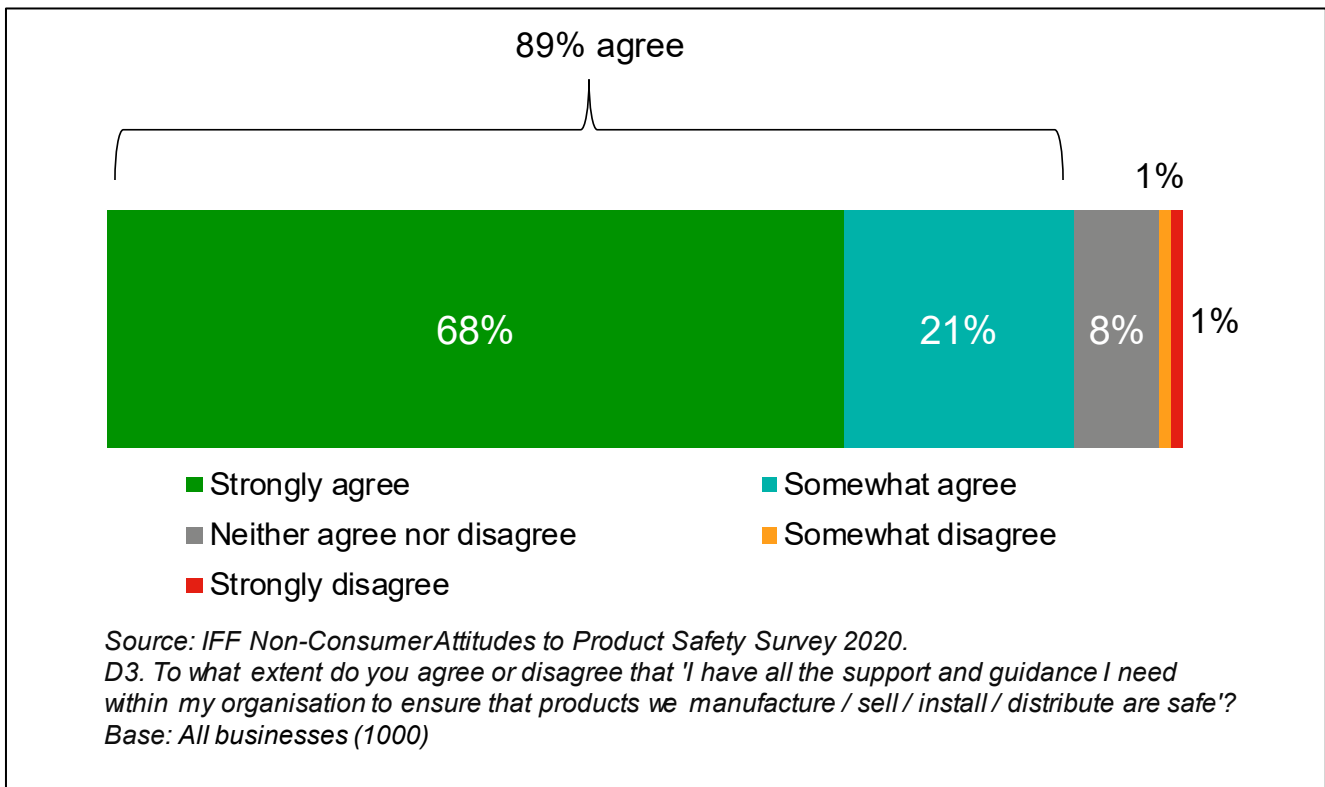Retailers were most likely to report suppliers as the most useful source of information (28% vs. 24% overall), whereas repairers were the least likely to report suppliers (14%). Installers and distributors were more likely to cite manufacturers as their most useful source of information (30%, 32% respectively) as were businesses in the large white goods and electronics sectors (34%, 33% respectively vs. 22% overall).

Perceptions of support and guidance available

The majority of businesses surveyed (89%) 'somewhat' or 'strongly' agree that they have all the support and guidance needed to ensure compliance with product safety legislation, with 68% of businesses strongly agreeing with this statement.

Figure 10 To what extent businesses agree they have all the support and guidance they need

89% agree

68% | 21% | 8% | 1% | 1%

- Strongly agree
- Somewhat agree
- Neither agree nor disagree
- Somewhat disagree
- Strongly disagree

Source: IFF Non-Consumer Attitudes to Product Safety Survey 2020.
D3. To what extent do you agree or disagree that 'I have all the support and guidance I need within my organisation to ensure that products we manufacture / sell / install / distribute are safe'?
Base: All businesses (1000)

Organisations interviewed in the qualitative phase of the project typically felt that there are enough guidelines and resources out there to ensure product safety standards, but it's down to the companies themselves to be aware of, understand and follow all applicable regulations.

> *"The guidelines are all there; the question is whether people are following them."*
> *(Distributor, large white goods)*

Businesses who wanted further information and support

Only 13 of the 1,000 businesses surveyed reported they needed more information and support to ensure compliance with product safety standards. When discussed in the qualitative strand, key themes emerged around the need for a singular recognized regulatory body where clear and concise legislative documents could be found.

> *"If there was one simple regulatory body that everyone recognised, we've all got our own little niches…If the Product and Safety Standards did a little stamp, and you could put it on your product...good thing to do" (Distributor, cosmetics)*

> *"Legislation can be very difficult to understand, so nice guidance documents that summarise standards and direct people where to go can be really useful." (Product safety consultant)*

Some organisations suggested this should be a dedicated website or telephone number that businesses could call for advice on product safety.

> *"A helpdesk would be ideal, instead of going to the European Council and reading 136 pages of very dry jargon about something which should be clean and straightforward." (Distributor, small electronics)*

> *"It's almost as if there should be someone who says: This is the law and this is how it translates into common everyday English." (Manufacturer, toys)*

As mentioned earlier, awareness of PAS 7100 Code of Practice was typically low, and some organisations spoken to in qualitative interviews felt they would benefit from further information and clarification on the product recall process.

> *"Product recalls should have a clearer published format of what should be followed… Whether you should be forced/have to contact your customer" (Retailer, large white goods)*

Interactions with key bodies

As previously discussed, the businesses involved in the qualitative interviews believe the UK has high standards of product safety and positively view the key bodies and associations that guide them.

Level of interaction with key bodies and associations varies dependent on the sector of the business. Many of the interviews conducted with those in the cosmetics sector discussed their involvement with the Cosmetic, Toiletry and Perfumery Association (CTPA) and those in the toys/baby products sector their involvement with the British Toy and Hobby Association (BTHA).

British Standards Institution (BSI)

The British Standards Institution is highly regarded across all industries and organisations interviewed who reported that the standards set by the BSI are effectively upheld in their industries. The majority of manufacturers interviewed reported interactions with the British Standards Institute, and many manufacturers believed they would struggle to sell their products if they could not prove BSI accreditation.

"We are monitored by BSI, and we constantly refer to British Standards for particular instances on jobs, for example if you've got to develop a window to go in a particular room or building, that relates to the British Standards relating to safety of glass"
(Manufacturer, small electronics and specialist home fittings)

United Kingdom Accreditation Service (UKAS)

A minority of organisations interviewed reported any interaction with United Kingdom Accreditation Service; these businesses were more likely to be distributors and manufacturers within the cosmetics and small electronics fields. Some, although aware of UKAS, had no direct interaction with them. A small number of manufacturers interviewed reported using UKAS accredited external testing centres.

"We use UKAS accredited test houses for external calibration of our test equipment"
(Manufacturer, small electronics)

Chartered Trading Standards Institute (CTSI)

The majority of organisations interviewed lacked awareness of the Chartered Trading Standards Institute and interactions mentioned were very limited. Interaction with CTSI was most common amongst trade associations.

6. Interactions with OPSS

This section looks at awareness of OPSS amongst businesses and feedback from businesses and individuals who have interacted with OPSS.

Interactions with OPSS

Overall, awareness of OPSS was low across the industries covered in the survey, with 86% of businesses surveyed having not previously heard of OPSS. Around one in ten (12%), reported that they had heard of OPSS but had not interacted with them within the last 12 months and only one per cent of businesses surveyed had interacted with/used guidance from OPSS in the last 12 months.

Businesses within the cosmetics sector and distributors were more likely to be aware of OPSS (25%, 19% respectively vs.13% overall). Sole traders were the least likely to have heard of OPSS (9% heard of OPSS vs. 27% of those with 10 or more employees).

Of the businesses surveyed who had interacted with OPSS in the last 12 months (7 businesses), the majority did so to receive advice regarding the appropriate use of standards and advice on their compliance with product safety legislation.

Awareness of OPSS was also low among most organisations spoken to as part of the qualitative research, although as previously discussed, demand for a single source of information and advice on product safety was high, and the need for a singular body to oversee product safety in the UK was recognised.

> *"Having a government linked thing where you knew the information was truly independent could help and be an extra source to make sure we are complying with everything we need to be." (Manufacturer, small electronics)*

Those that had interacted with OPSS tended to be specialists such as product safety consultants, local authorities and legal firms who had a clear understanding of the role OPSS plays in the product safety system. The vast majority of those who had interacted with OPSS reported the positive impact they have on the industry to regulate product safety.

> *"OPSS is a benefit (to the product safety system) and we are very pleased there is a national regulator." (Local authority)*

> *"They fill a gap that we have in the way we regulate product safety. Particularly in consumer product safety." (Product safety consultant)*

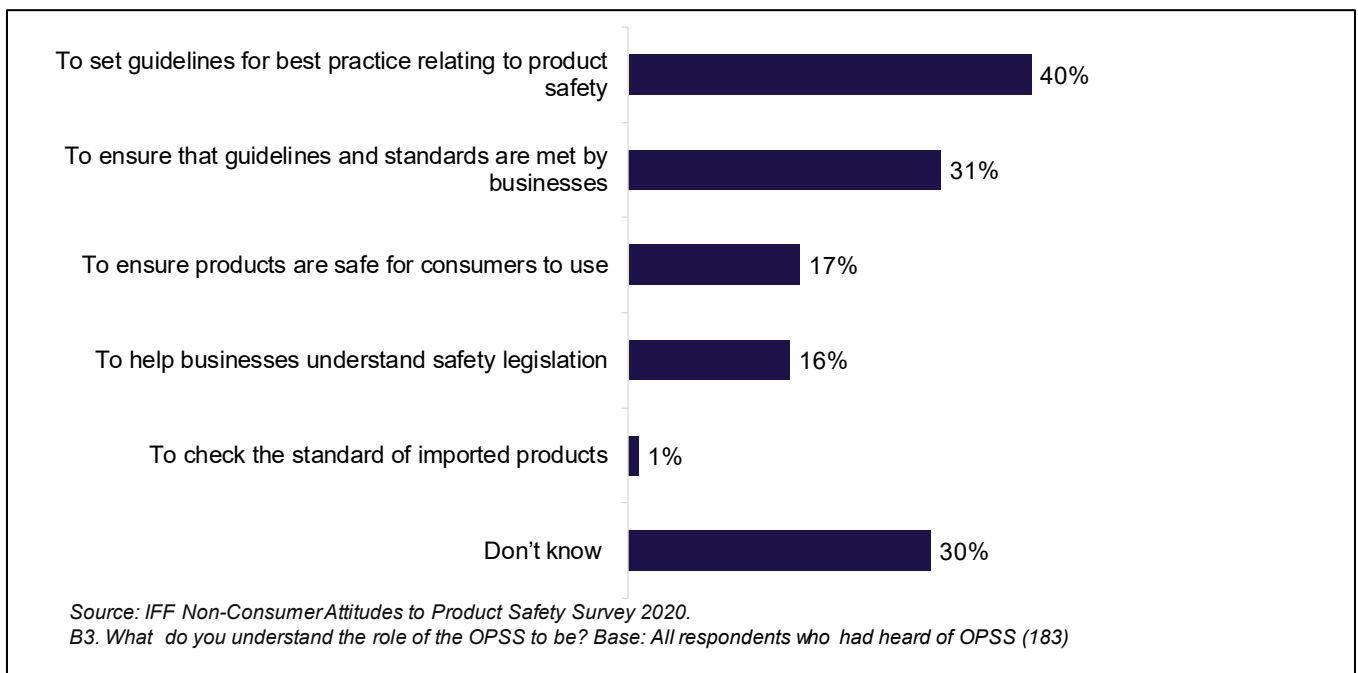> *"It's an overseeing body to kind of drive forward product safety mainly in consumer products…They will assist sometimes with enforcement, but also try to give more*

technical resources and training to local authorities…We look at stuff that's published by them...if there's an initiative we might discuss that with a client" (Legal Firm)

Businesses who had not interacted with OPSS

Predominately, businesses surveyed who were aware of OPSS typically felt the role of OPSS was to set guidelines for best practice relating to product safety (40%) and to ensure guidelines and standards are met by businesses (31%, see figure 11).

Figure 11 Awareness of role of OPSS

To set guidelines for best practice relating to product safety	40%
To ensure that guidelines and standards are met by businesses	31%
To ensure products are safe for consumers to use	17%
To help businesses understand safety legislation	16%
To check the standard of imported products	1%
Don't know	30%

Source: IFF Non-Consumer Attitudes to Product Safety Survey 2020.
B3. What do you understand the role of the OPSS to be? Base: All respondents who had heard of OPSS (183)

Organisations interviewed who had not interacted with OPSS, thought that the role of OPSS would be to enforce product safety regulations.

"We work quite closely with trading standards and I would assume them to be a very similar body to trading standards." (Distributor)

Retailers interviewed tended to believe the roles of OPSS would be to regulate products on the market and aid with product recalls.

"Probably to enforce any breach of quality or any hazard towards the general public on items that are sold." (Retailer)
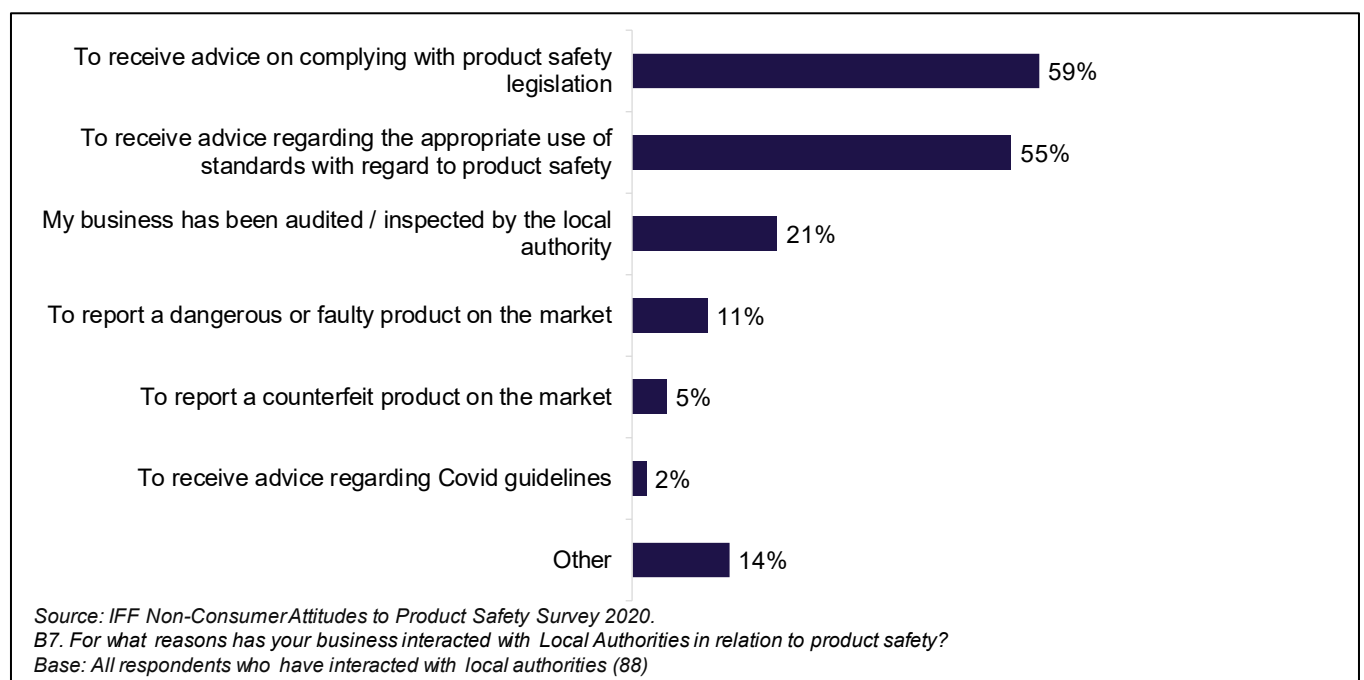
7. Interactions with Local Authorities

This section looks how many businesses have recently interacted with local authorities regarding product safety, and the main reasons for doing so, including Primary Authority Partnerships. It also looks at perceptions of support provided by local authorities and the support they provide to businesses.

Reasons businesses interact with local authorities

Overall, the level of interaction with local authorities is low; only six per cent of businesses surveyed had interacted with local authorities regarding product safety issues. Interaction with local authorities were more common amongst manufacturers (10%) and businesses in the toys/baby products and cosmetics sectors (21% and 17% respectively).

Typically, businesses surveyed had only interacted with local authorities regarding product safety if felt they needed support or guidance. Amongst those who had interacted with a local authority, most did so to receive advice on complying with product safety legislation (59%) or advice regarding the appropriate use of standards with regard to product safety (55%), rather than to report dangerous or faulty goods on the market (11%). As discussed above, although a relatively small percentage of businesses have sought support from their local authority, organisations interviewed who had received such guidance typically reported it to be highly valuable.

Figure 12 Reasons for interaction with local authority

To receive advice on complying with product safety legislation — 59%
To receive advice regarding the appropriate use of standards with regard to product safety — 55%
My business has been audited / inspected by the local authority — 21%
To report a dangerous or faulty product on the market — 11%
To report a counterfeit product on the market — 5%
To receive advice regarding Covid guidelines — 2%
Other — 14%

Source: IFF Non-Consumer Attitudes to Product Safety Survey 2020.
B7. For what reasons has your business interacted with Local Authorities in relation to product safety?
Base: All respondents who have interacted with local authorities (88)

Perceptions of support from local authorities

Although few of the businesses surveyed had interacted with local authorities, those who had been visited by trading standards or approached them for guidance and advice, highly valued the support they had received. Organisations interviewed discussed how local authorities provide valuable guidance from an independent position and spot issues the business might not have otherwise seen.

> *"They are not biased to the consumer or the retailer – they are independent and knowledgeable. If they don't know they will go and find out and give you good feedback." (Retailer, large white goods)*

> *"On one occasion there was something we weren't aware of that trading standards brought to our attention and we immediately dealt with it. It is useful to have that contact." (Distributor, small electronics)*

Local authority support was particularly valued by organisations interviewed who could not afford to employ product safety experts or consultants. The free support was valued by businesses who may otherwise struggle to understand and therefore comply with guidance.

> *'I think it's complicated. The government has some good guidance, but I think it's a complicated and difficult area for a lot of industries, which makes it costly for a lot of businesses.' (Legal firm)*

A number of organisations interviewed believed the product safety system would benefit from more involvement from local authorities but raised concerns about cuts to their resourcing (combined with increased demand on their services) and the gap this leaves in the product safety system.

> *"[We have not had enough interaction with them] because they are so under pressure. There are 3 guys in my area responsible for everything. They are out there doing preventative work that is even more important. They are under-funded massively and they do an amazing job with such small resources." (Manufacturer, Toys)*

> *"I sent them an e mail this week and the answer was very vague because they just don't have the manpower to cover it…They'd like to deal with a lot more but they just haven't got the facilities to do it." (Distributor, small electronics)*

Many organisations interviewed felt there had been a reduction in the number of independent checks by organisations (such as trading standards) to ensure businesses adhere to product safety regulations, with responsibility increasingly lying with the industries themselves to 'self-regulate' and ensure standards are maintained. This is supported by survey findings in which less than two per cent of all businesses reported they had been audited by their local authority. A number of businesses mentioned that trading standards had previously acted as a key independent body to ensure regulation was upheld, but now do not have the capacity to do this. Resourcing cuts have further led to the decrease in business interactions.

"We could do a lot better with the legislative system we have, if we had more resources [in trading standards] to deal with it." (Product safety consultant)

These concerns were echoed by local authorities themselves in the qualitative interviews, who highlighted concerns around resourcing cuts in their department over recent years which have led to a decrease in interactions with businesses, and a reduction in capacity to audit and investigate product safety issues. This was reported to have reduced the amount of proactive investigation some local authorities are able to carry out and has led to more 'reactive' checking (meaning they follow up only on reported issues). The cuts have also had knock on effects to the product recall process, impacting the ability of local authorities to manage the amount of product recalls or "track down" the manufacturers and importers in question.

Primary Authority Partnerships

Awareness of Primary Authority Partnerships was low amongst businesses. Only 4 businesses surveyed had a Primary Authority Partnership and could name which local authority they held it with. No businesses that took part in the qualitative interviews had a Primary Authority Partnership.

Despite the low awareness amongst businesses, local authorities spoken to as part of the qualitative research strand did highlight the benefits of Primary Authority Partnerships. Typically, they were seen to be a valuable aid for communication between local authorities and businesses, particularly in the event of an unsafe product being found on the market. This might be particularly useful for communicating with businesses selling on an online marketplace, where it is not obvious who to contact or where making direct contact with the business is more difficult. In this case, the local authority may contact the Primary Authority for the online marketplace in question.

"I had the online marketplace remove the [unsafe] products still on sale from their platforms, and that happened via the Primary Authority for the online marketplace." (Local authority)

One legal firm suggests that Primary Authority Partnerships play an important role in policing product safety within the business they have a partnership with.

"Primary Authority… they understand you, they know how you work. I would see that as quite an important part of policing product safety." (Legal firm)

However, it was mentioned by one local authority interviewed that even where there are Partnerships in place, advice is not always given, or the business is not audited to the extent that it should be, suggesting Primary Authorities are not always being used to their full potential.
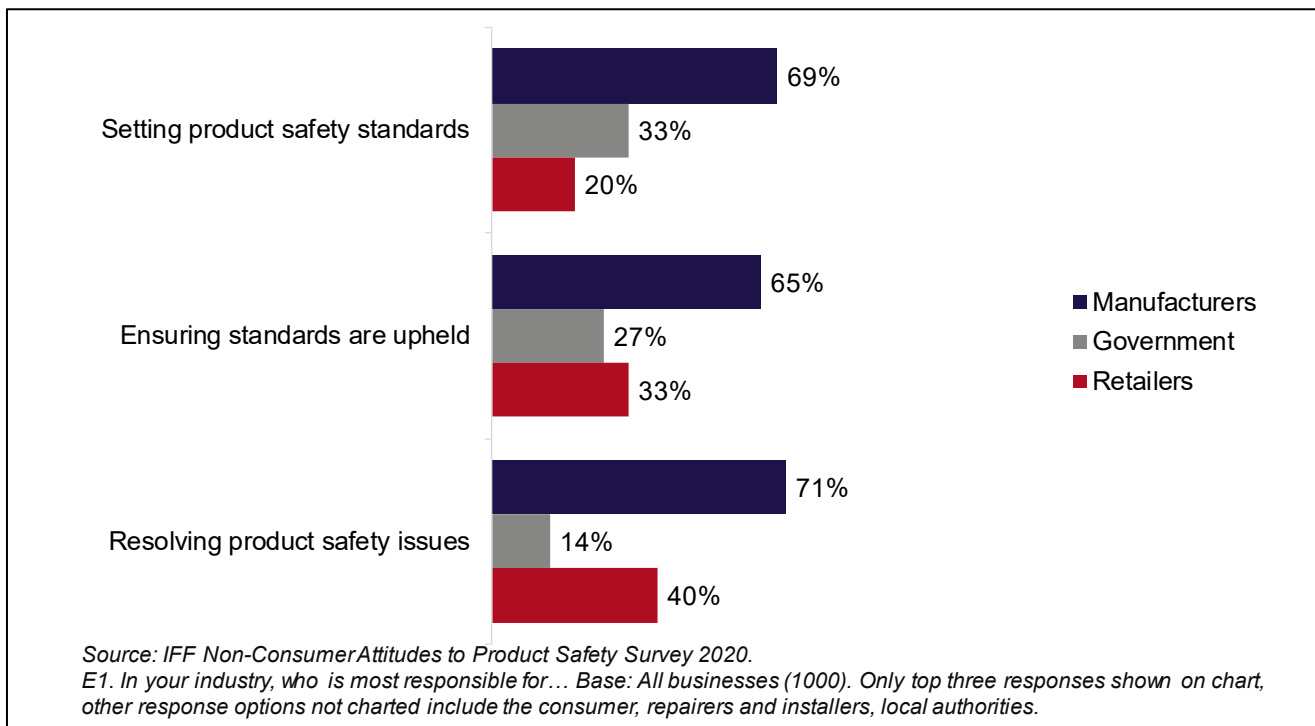
8. Responsibility for product safety

This section investigates who businesses feel is responsible for setting product safety standards, ensuring standards are upheld and resolving product safety issues when they arise. It also looks at the complexities around assigning responsibility for the safety of a product.

Responsibilities of the manufacturer

All businesses surveyed were asked who they felt was primarily responsible for setting product safety standards, ensuring these standards are upheld, and resolving product safety issues when they arise. As shown in figure 13 the majority of businesses felt that manufacturers were primarily responsible for all three of these points. This view was echoed amongst manufacturers themselves, who were as likely as other groups to feel manufacturers are responsible for setting product safety standards (67% vs 69% overall), and significantly more likely than other groups to say manufacturers are responsible for ensuring these standards are upheld (75% vs 65% overall), and resolving product safety issues when they arise (81% vs 71% overall).

Figure 13 Who is primarily responsible for product safety[10]

Source: IFF Non-Consumer Attitudes to Product Safety Survey 2020.
E1. In your industry, who is most responsible for… Base: All businesses (1000). Only top three responses shown on chart, other response options not charted include the consumer, repairers and installers, local authorities.

This finding was echoed by the qualitative interviews. Most organisations interviewed, including the manufacturers themselves, felt manufacturers are primarily responsible for product safety because they source the parts for the product, carry out the initial tests, and are the ones who

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[10] Interviewers prompted respondents to name one actor primarily responsible for each point, however multiple responses were allowed if necessary.

decide if the product is ready to be placed on the market.. They also provide information on the safety of the product to actors further down the supply chain such as suppliers, retailers, and installers as well as directly to consumers, for example relating to safe use and any potential risks.

> *"The manufacturers or whoever they answer to such as British Safety Standards and the others you mentioned [have the responsibility]. My assumption is [manufacturers] must meet criteria to be able to trade the goods within the UK. I think it all works well." (Retailer, large white goods)*

Those involved in the legal side of product safety regulation also suggested that in the majority of cases, manufacturers were primarily responsible for the safety of a product.

> *"The primary obligation would fall on the manufacturer in terms of compliance and the government or bodies in terms of regulating or setting those standards." (Legal firm)*

> *"Resolving issues is down to the company that is named as responsible for that product and trading standards will deal with them directly" (Trade Association Representative)*

Indeed, organisations interviewed discussed the difficulties which arise when the manufacturer is not easily traced or contactable for example in the case of faulty products manufactured overseas. In these cases, organisations interviewed, even those with good understanding of the system such as product safety consultants and legal firms, found it difficult to define who would have responsibility for the safety of the product and identified the challenge if no manufacturer or UK based importer could be identified. The importance of a visible, easily traced manufacturer (or UK-based importer) with overall responsibility for the safety of the product is a critical part of the current product safety system in particular when a fault arises. This is discussed further in section 9 relating to the challenges around the growth of online marketplaces.

Responsibilities of government

A third (33%) of businesses surveyed felt the government was primarily responsible for setting product safety standards and 27% felt they were responsible for ensuring standards are upheld. They were less likely to be seen as responsible for resolving product safety issues when they arise (14%). Responsibility for resolving product safety issues was much more likely to be perceived as a responsibility for retailers (40%) and manufacturers (71%).

There was some variation in the perceived role of government based on business type. Distributors were more likely to view the government as responsible for setting standards (44% vs. 33% overall). Retailers were the least likely to view the government as responsible for setting standards (28% vs. 33% overall).

As previously discussed, some organisations interviewed struggled to identify a body responsible for overall product safety in the UK.

"Not sure if there is one particular organisation that would be in charge of that. Certainly, companies that make their own products take responsibility and that is generally accepted." (Manufacturer, electronics)

Responsibilities of retailers

Some retailers interviewed highlighted it was their own choice whether to stock the product, and for this reason felt they held a degree of responsibility if that product was unsafe. Retailers interviewed across all sectors typically felt responsible to ensure they purchased from reliable and trustworthy manufacturers. The feeling that the responsibility for product safety lies with the manufacturer was strongly held amongst large white goods retailers interviewed, who felt that they were heavily reliant on high quality manufacturing in order for the goods they sell to be safe.

As shown in figure 13, a third (33%) of businesses surveyed felt that retailers were responsible for ensuring product safety standards. Retailers themselves were the most likely to feel they had this responsibility (40%). Over half (55%) of retailers surveyed believed they had responsibility to resolve product safety issues when they arise. This was more common amongst online-only retailers (66% vs. 51% of instore-only).

Responsibilities across the supply chain

While businesses feel that manufacturers have the primary responsibility to ensure products are safe, the vast majority of organisations interviewed believed that everyone along the supply chain, including their own industry, must do their bit to ensure product safety. This was particularly true of distributors spoken to who identified that responsibility may fall solely on them if they are the ones importing the products into the UK and felt they held a responsibility to ensure that products are certified and can be sold in the UK. Installers, for example feel a responsibility to fit a product safely and correctly, retailers felt a responsibility to select safe products to sell and even actors more removed from the supply chain such as legal firms feel an indirect responsibility to pass on information about unsafe products.

"Shopkeepers…they are the ones who have to decide what goes on the shop floor…Retailers are at the end point of sale" (Retailer, baby products)

"We've got a responsibility to engineers, the general public and the customer to follow the highest standard and keep everybody as safe as possible." (Repairer)

A key theme from the qualitative interviews was that each actor in the supply chain was reliant on those further up and further down the chain to carry out the correct actions, provide the correct guidance and information and to ensure that products are safe. Although businesses felt responsible to 'do their bit', they typically felt there was little they could do if there was a

'weak link' in the chain. For retailers, installers and repairers, there was an element of trust that their suppliers and manufacturers had done the correct checks.

> *"Ultimately, we're in the hands of our suppliers and we look for reputable suppliers, where we feel that everything we've ever read about them tells us good things."*
> *(Installer, small electronics)*

> *"We try to use the best quality products… we can't get inside [pre-packaged items] to check…" (Retailer, small electronics).*

Further complexities around responsibilities in the supply chain were also raised in qualitative interviews where products are not sold to directly to the end user. In cases such as products used in a workplace or in rented accommodation additional actors may need to take responsibility for the safety of a product such as the landlord or employer.

> *"If it was a brand new [product] and it causes [damage to the employee] and I write to the employer, no doubt the employer or their insurers would either look to involve, or indeed pass matters on, to the manufacturer… I think I would maintain my 'target' is the employer because they have the direct responsibility to look after their employees."*
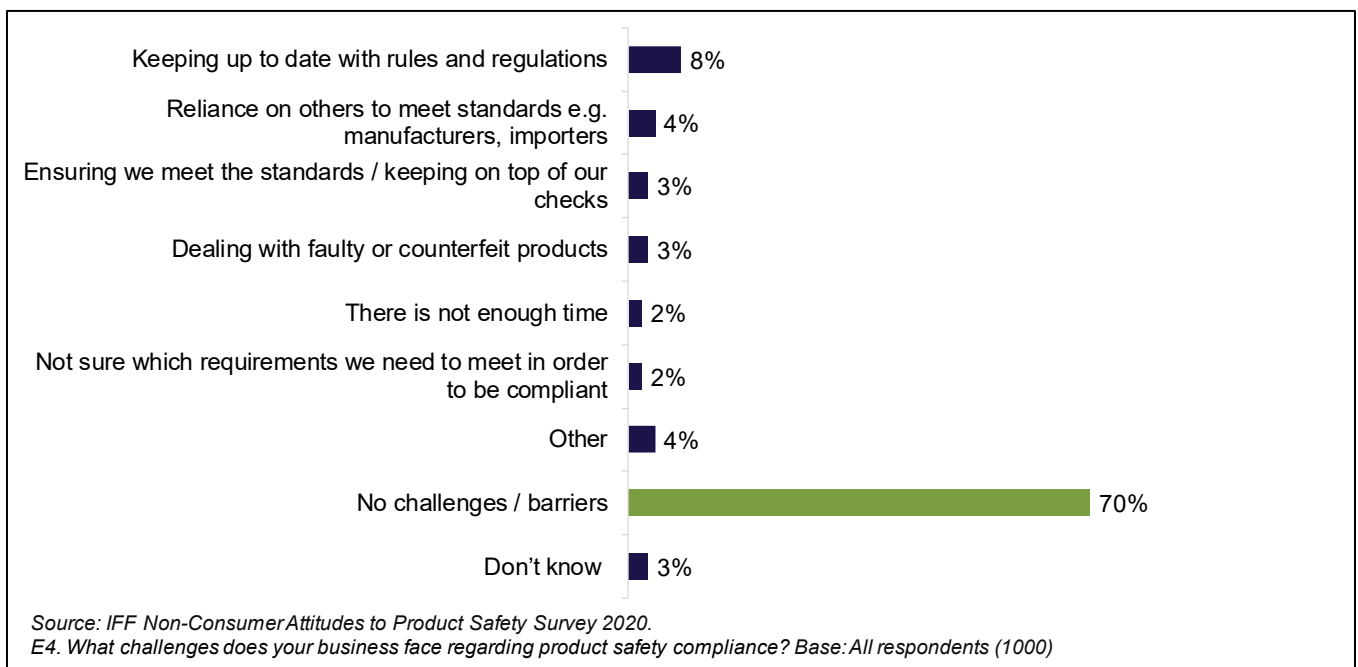> *(Legal firm)*

A minority of businesses also feel that consumers themselves have an important role to play in product safety. Thirteen percent of businesses felt the consumer had a responsibility to ensure that product safety standards are upheld. Amongst organisations interviewed, the consumer was recognised to play an important role in reporting faulty goods and in registering their products. Some also felt that consumers had some level of responsibility to check the safety of their products. Some organisations interviewed highlighted that consumers often prioritise the cost of goods over product safety, and the product safety system would be improved if consumers were made more aware of potential risks and encouraged to check for certification or only buy from reputable manufacturers rather than anonymous online retailers.

9. Key challenges

This section investigates key challenges businesses face to ensure product safety compliance, and the challenges faced by wider industry to ensure that high product safety standards are upheld. Key challenges in the future of product safety are also discussed including the challenges around the growth of online marketplaces.

All businesses surveyed were asked what challenges their business faced regarding product safety compliance. As shown in figure 14, keeping up to date with rules and regulations (8%) was the most commonly reported challenge, which was more commonly mentioned by distributors (12%) and those in the toys/baby products and cosmetics sectors (21% and 33% respectively). Installers and repairers were more likely to say that relying on others to meet standards was a key challenge for their business (9%, 13% respectively vs. 4% overall), perhaps due to the number of actors that come before them in the supply chain.

Figure 14 Challenges businesses face regarding product safety compliance

Keeping up to date with rules and regulations — 8%
Reliance on others to meet standards e.g. manufacturers, importers — 4%
Ensuring we meet the standards / keeping on top of our checks — 3%
Dealing with faulty or counterfeit products — 3%
There is not enough time — 2%
Not sure which requirements we need to meet in order to be compliant — 2%
Other — 4%
No challenges / barriers — 70%
Don't know — 3%

Source: IFF Non-Consumer Attitudes to Product Safety Survey 2020.
E4. What challenges does your business face regarding product safety compliance? Base: All respondents (1000)
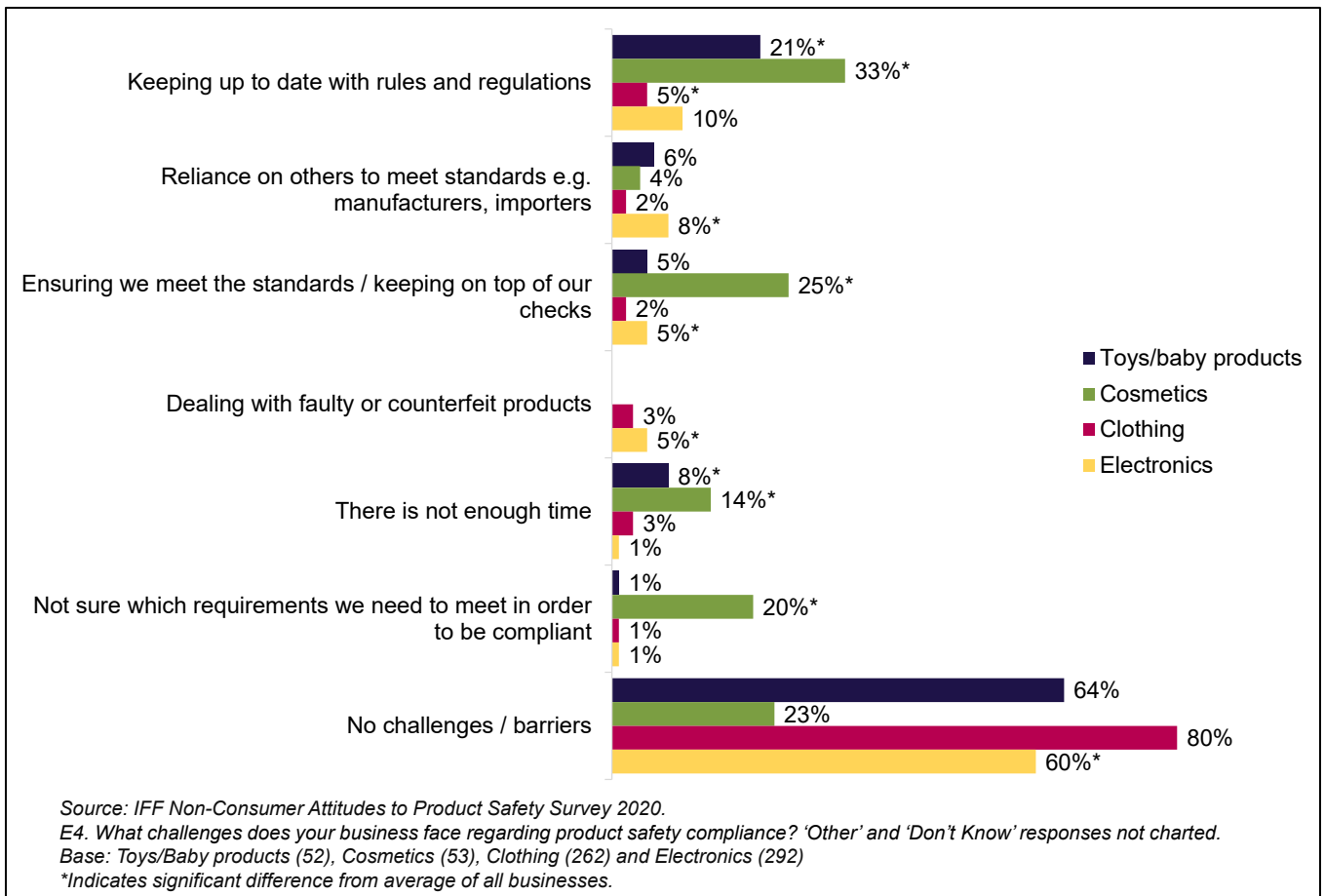
Other challenges reported by less than three per cent of businesses include not having enough time, not knowing which requirements were needed in order to be compliant, insufficient guidance or too many guidelines, being prepared for changes as a result of Brexit, the cost of testing, compliance or advice on product safety, the need to stay competitive with other businesses, and misuse of a product by the customer.

As shown in figure 14, the majority (70%) of businesses said they do not face any challenges. Retailers were more likely than other business types to feel they do not face any challenges (76% vs. 70% overall). In contrast to the perceptions from the qualitative research, smaller businesses were more likely to report that they did not face any challenges (77% sole traders vs. 45% 250+ employees). However, it should be noted that this is a self-reported measure.

Larger businesses may be more aware of product safety regulations and therefore more aware of the challenges.
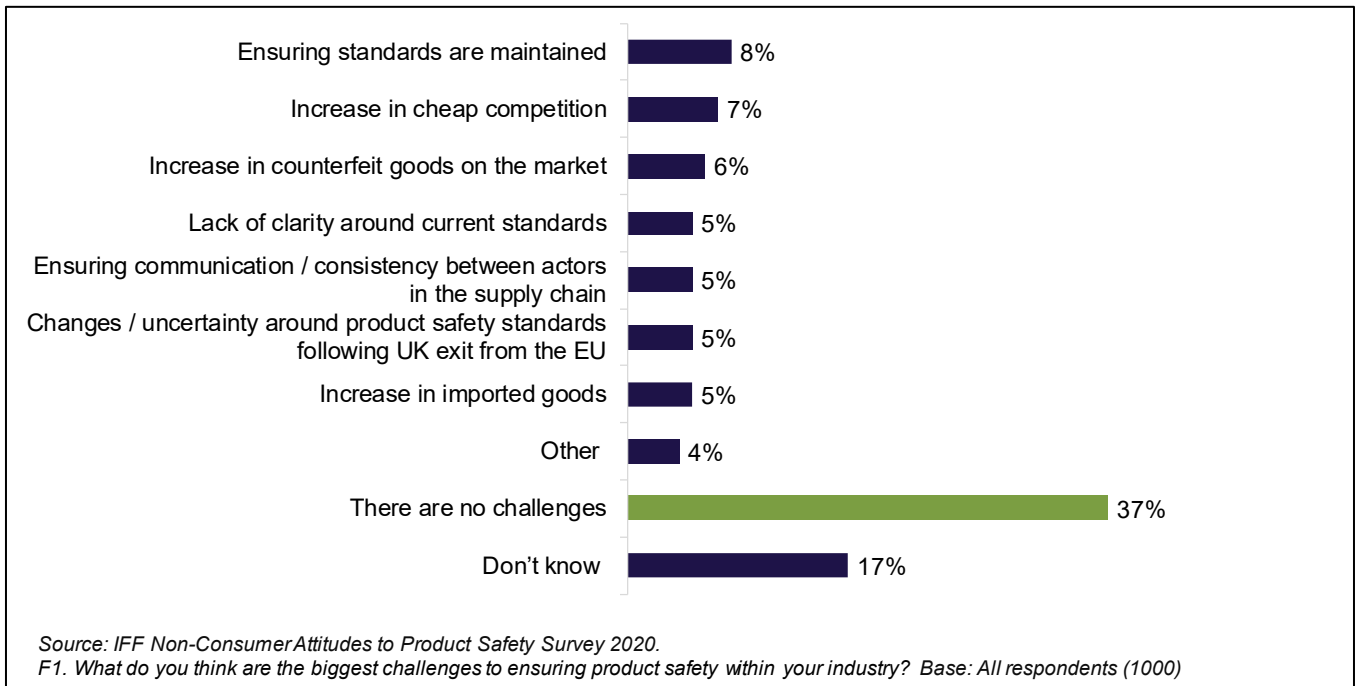
There was also large amount of variation by sector, as demonstrated in figure 15, below. Over three quarters (80%) of those in the clothing sector reported their business did not face any challenges, compared with 64% in the toys/baby products sector, 60% in the electronics sector and less than a quarter (23%) in the cosmetics sector.

Figure 15 Challenges businesses face regarding product safety compliance, by sector

Source: IFF Non-Consumer Attitudes to Product Safety Survey 2020.
E4. What challenges does your business face regarding product safety compliance? 'Other' and 'Don't Know' responses not charted.
Base: Toys/Baby products (52), Cosmetics (53), Clothing (262) and Electronics (292)
*Indicates significant difference from average of all businesses.

Businesses surveyed were also asked about the biggest challenges faced by their industry. Businesses were much more likely to feel that their wider industry faced challenges compared with their individual business, with only 37% of businesses surveyed stating their industry does not face challenges.

Figure 16 Biggest challenges to ensuring product safety within industry

Challenge	Percentage
Ensuring standards are maintained	8%
Increase in cheap competition	7%
Increase in counterfeit goods on the market	6%
Lack of clarity around current standards	5%
Ensuring communication / consistency between actors in the supply chain	5%
Changes / uncertainty around product safety standards following UK exit from the EU	5%
Increase in imported goods	5%
Other	4%
There are no challenges	37%
Don't know	17%

Source: IFF Non-Consumer Attitudes to Product Safety Survey 2020.
F1. What do you think are the biggest challenges to ensuring product safety within your industry? Base: All respondents (1000)

Retailers were more likely than other business types to say that ensuring standards was a key challenge in their industry (11% vs. 8% overall). Repairers and those that carried out any installation work were more likely to cite an increase in cheap competition (16%, 11% respectively vs. 7% overall). Both distributors and repairers were more likely than average to report that an increase in counterfeit goods on the market was a key challenge (11%, 13% respectively, vs. 6% overall). Manufacturers were most likely to feel lack of clarity around current standards was a key issue for their industry (10% vs. 5% overall). Both manufacturers and distributors were more likely to feel that changes and uncertainty around product safety standards following UK exit from the EU was a key challenge (8%, 10% respectively vs. 5% overall).

Variance could also be seen by sector. Those in the cosmetics, toys/baby products and electronics sector were more likely than others to feel their industry faced challenges in ensuring product safety standards. Those in the cosmetics sector were more likely than average to report challenges around lack of clarity on standards (12% vs. 5% overall), ensuring communication between actors in the supply chain (15% vs. 5% overall) and uncertainty around product safety standards following UK exit from the EU (19% vs. 5% overall). Lack of clarity around current standards and standards after Brexit were also more commonly reported by those in the toys and baby products sector (both 13%). Those in the electronics sector were twice as likely as average to say that an increase in counterfeit goods was a key challenge for their industry (12% vs. 6% overall).

As seen with challenges faced by businesses, smaller businesses were more likely to feel their wider industry did not face any challenges. Again, this may be an effect of smaller businesses being less aware of challenges. These results suggest that larger businesses and more

regulated sectors such as toys and cosmetics seem more aware of the challenges their industry faces to ensure product safety.

Challenges around online marketplaces

A key theme which emerged from the qualitative interviews were threats to the product safety system posed by online marketplaces.

> *"It's not understating it to say that the growth of online markets is the biggest product safety risk to date…. Allowing rogue traders that would once be in a marketplace in town are now allowed to access the world, increasing access and volume of counterfeit and dangerous goods" (Product safety consultant)*

Organisations interviewed typically perceived online marketplaces to be much less regulated than 'bricks and mortar' businesses. Many felt that online marketplaces are too big and growing too rapidly to be effectively controlled. They were also criticized by some for failing to take liability for issues with the products they sell.

> *"Online has an impact with every industry and safety because a lot of online sellers are very hard to track down and are very happy to just take the money and run." (Distributor, small electronics)*

> *"I don't think [online marketplaces] are trying, I don't think they care. I think I could put pretty much anything on there and they would take it." (Distributor, toys)*

One product safety consultant highlighted that that current models of the product safety system assume a traditional manufacturer – distributor – retailer – consumer chain which is becoming increasingly less common as online marketplaces allow for consumers to easily buy directly from manufacturers and distributors overseas. This causes a particular issue when faults arise with the product. Without a UK based importer or manufacturer, it was unclear who would take responsibility for the issue if not the online marketplace.

> *"The regulatory framework we have at the moment isn't really addressing the online model." (Product safety consultant).*

Many concerns around online marketplaces centred around consumers being easily able to import goods from countries where product safety laws are not as stringent as the UK, which they felt has led to an increase in counterfeit and potentially dangerous goods on the UK market.

> *"An end user can buy a product on eBay directly from a private person or country which is not even part of the EU. These countries don't have laws like in the EU where the product needs to meet a certain standard… I don't think that current regulations are following the globalisation and openness of the market which is happening at the*

moment. This isn't exclusive to the lighting industry it's happening in all industries."
(Distributer/wholesaler, small electronics)

Key challenges in the future of product safety

Outside of challenges posed by the growth of online marketplaces, organisations interviewed discussed a range of key challenges they felt the product safety system faced in the future.

The first was a further reduction of checking or policing by external bodies. As discussed in section 7 businesses felt there had been a reduction in resourcing for trading standards. Others felt that there was no overarching body responsible for product safety enforcement in the UK. Although many felt that industry polices itself as businesses are motivated to maintain high standards of product safety to keep customers, it was typically felt that businesses could fairly easily slip below the net.

> *"I think there's instances where it's not very effective because I think there's instances where enforcement can be low and that allows products to be on the market that are not necessarily compliant." (Legal Firm)*

This issue around independent checking was raised several times in relation to CE marking, which some felt was not policed at all.

> *"If we take CE for example, there is no industry body in our sector that is actively enforcing that the products meet that regulation...That's a big vulnerability in our sector" (Manufacturer, small electronics).*

> *"[Manufacturers overseas] stick CE marking on everything that comes up because it's a legal requirement for the product to be CE marked for Europe. That's a self-certification standard, but to what extent do they actually undertake testing to ensure they are meeting any sort of standard?" (Installer)*

Some organisations interviewed felt that the biggest challenge to the future of product safety was the pace of the industry. They highlighted the increasing pace at which new or upgraded products are entering the market. This leads to challenges for policy and regulation to 'keep up' with new products as existing guidance quickly becomes out of date. This in turn leads to businesses to respond to new and changing regulation and to keep up with the need for checks and testing as each new product is created. This pressure is exacerbated by the need to keep prices low and remain competitive with other businesses, as changes and testing can be very costly.

> *"It's the frequency of the testing needed. We launch a product with the intention of it being repeatable. In the toy industry they are bringing out new variants all the time, new variants of the same stuff but new variants which require testing." (Distributor, Toys)*

Some businesses felt that the UK exit from the European Union would be a big challenge for the future of the product safety system. For some, this was due to uncertainty around which regulations will apply. Others worried that there may be a reduction of collaboration across Europe regarding safety risks; something which they currently felt was a strength of the UK product safety system.

10. Opportunities for improvement

This section investigates what opportunities businesses feel will improve product safety standards in the future.

Organisations interviewed in the qualitative research strand were asked to reflect on future opportunities which could improve the product safety system. Key themes discussed centred largely around the UK exit from the European Union, changes to regulation, technological advances and improved consumer awareness.

Although some organisations felt the UK exit from the European Union was a key challenge for the product safety system, others interviewed felt it may lead to improved standards. One product safety consultant suggested the EU exit will enable systems to work more quickly, especially when reacting to rapidly changing markets. Others felt that this may lead to an increase in people buying UK made products (which are perceived to be safer) and a reduction in imported goods.

Some discussed opportunities around increased regulation of goods, especially around goods manufactured outside the UK or purchased through online marketplaces. Retailers note that the 'right to repair' legislation is a positive step forward as products will have to be 'better made' in order to be repaired.

> *"Monitor those factories [in other countries] and put a stamp on it to say they've watched it happening... the quality of the product has been tested to the levels that we would expect here." (Installer, small electronics)*

Those who work on a more strategic level such as trade associations and product safety consultants were typically optimistic about the potential impact OPSS and industry working groups could have to continue to drive forward changes to regulation in the future.

Others discussed emerging technological advances. One example of this was increased automation of products and the development of 'smarter' products which will be better able to automatically monitor and respond to faults. Other benefits of technological advances, including advances in product safety testing were also discussed.

> *"Internet of Things could potentially be really good step forward for product safety as can remotely access data, detect faults and shut down systems into safe mode." (Trade Association, electronics)*

> *"Testing faster, more cheaply and more accurately." (Manufacturer, cosmetics)*

Some respondents felt there could be opportunities for increased consumer awareness, such as ensuring customers can easily access information about the safety of a product and making safety more 'top-of-mind' when deciding on a purchase.

"Maybe a product should include the journey, so people realise what they are getting…how things are made…how will they make the right choices if we don't teach them how?" (Manufacturer, small electronics)

"An app where customers could scan the product barcode and see product safety information and whether it really is certified or not... Then whenever customers have doubts they could just scan the product and check the validity of the product." (Distributor, Toys/Baby products)

"The industry could do more in saying 'only buy from approved dealers and distributors, to make sure you are getting a genuine product'." (Distributor, electronics)

"Certainly with the whole pandemic situation, we've seen the issue of safety of health right at the top of people's agenda, where perhaps it wasn't before…huge opportunity…this product is safe, this protects you" (Legal firm)

Conclusion

This section provides an overview of key findings from across the report in relation to the main research objects. Specifically, this section looks to summarise perceptions and attitudes towards product safety and the product safety system, the extent to which these perceptions and attitudes vary across different system actors, and the impact of emerging business models such as online platforms and technologies.

Perceptions and attitudes towards product safety and the product safety system

Overall, most organisations interviewed felt that product safety standards in the UK were high, especially in comparison to some other countries. Product safety issues and faults were typically perceived to be failures of individual businesses, i.e. not acting as they should, rather than fundamental flaws in the product safety system itself or lack of regulations.

To some extent, the product safety system was seen to police itself; businesses reported a range of incentives they had to ensure high levels of product safety standards, predominantly maintaining a good business reputation. However, concerns were raised about capacity within the system to monitor and respond to product safety issues when they do arise, and some felt this was exacerbated by recent cuts to trading standards. Actors in the product safety system were found to be very reliant on other organisations in the chain to each fulfil their own responsibilities in relation to product safety and had little control if there was a 'weak link' in the chain. The onus for product safety was predominantly seen to lie with manufacturers and there was little clarity around the process for resolving a product safety issue if a UK based manufacturer (or importer) could not be identified.

How these perceptions and attitudes vary across different system actors

Evidence from the qualitative interviews shows that organisations commonly perceived certain types of businesses to be more conscious of product safety than others. Typically, UK based organisations were perceived to be more regulated and produce safer products than those imported from other markets. Larger businesses were seen to be more reputable and more likely to have product safety processes in place, when compared to smaller businesses. Actors further up the supply chain such as manufacturers, were seen to have more responsibility for a product and carry out more actions to ensure products were safe, compared with actors further down the supply chain such as retailers and installers who were typically only expected to ensure they purchased from reputable suppliers.

The survey of businesses supported some of these commonly held perceptions. Certain businesses and sectors were found to have more product safety processes in place than others and a number of these key differences identified in the survey are detailed below. This is not intended to be a definitive list of every difference identified in the survey, rather it is

intended to bring together some of the key variances between actors highlighted earlier in this report.

Size of organisation

Medium and large sized businesses (50 + employees) were more likely to cite a range of different primary reasons for their business to ensure high levels of product safety standards. They were more likely to be driven by ensuring customer loyalty (16% vs. 9% overall) corporate social responsibility (7% vs. 2% overall) and adhering to their legal requirements (16% vs. 8% overall). Only 8% of businesses with 50+ employees felt that, beyond making sure nobody is harmed, they had no responsibility to ensure standards, compared with almost a third (29%) of sole traders.

Medium and large sized businesses were also more likely than small businesses to carry out internal audits or checks on the safety of their products (77% vs. 64%) and were more likely to have a designated person or department responsibly for product safety (48% vs. 26% of sole traders). They were also more likely to assist with product recalls (94% vs. 79% of sole traders).

Smaller businesses were more likely to report that they did not face any product safety challenges (77% sole traders vs. 45% 250+ employees). However, it should be noted that this is a self-reported measure. Larger businesses may be more aware of product safety regulations and therefore more aware of the challenges.

Type of organisation

Throughout the survey, manufacturers stood out from other types of businesses in terms of their roles and responsibilities in the product safety system. They were perceived to be more responsible than any other actor for setting product safety standards (69%), ensuring these standards are upheld (65%), and resolving product safety issues when they arise (71%). They are also a key source of information for other actors to ensure product safety compliance (used by 63% of businesses).

Manufacturers were more likely than any other type of organisation to carry out internal product safety audits or checks (58% vs 38% overall) or have a designated person or department responsible for product safety (44% vs. 30% overall). Distributors and retailers were more likely to carry out actions related to resolving issues such as assisting with reporting faulty or counterfeit goods and assisting with product recalls.

Organisations further down the supply chain were less likely to feel responsible for the safety of a product and reported less engagement with the product safety system. Retailers were the most likely report they had no responsibility to ensure product safety standards (33%). That is not to say businesses further down the supply chain did not report engagement with the product safety system. A large amount of variance was seen amongst business types on different measures. Repairers and installers, for example were more likely than any other business type encourage consumers to register products (48%, 32% vs 14% overall).

Sector

Those in the large white goods (24%), toys/baby products (23%) and cosmetics sectors (23%), were more likely to state they ensure high levels of product safety standards because they are accountable if something goes wrong (compared with 12% overall).

Organisations in the toys/baby products and cosmetics sectors were the most likely to report taking a range of actions to ensure high product safety standards including assisting with product recalls (99%, 96% respectively vs. 82% overall) and reporting faulty or counterfeit goods to the required authorities (97%, 91% respectively vs. 74% overall). They were also more likely to report interaction with local authorities (21% and 17% respectively vs. 6% overall).

Those in the cosmetics sector were more likely than others to feel that sharing of information was a key strength of the current system (30% vs. 19% overall) and to agree that there was a good framework of product safety legislation in the UK (25% vs. 14% overall). Organisations in the cosmetics sector were also more likely that others to be aware of OPSS (25% vs. 13% overall).

Those in the cosmetics sector were also most likely to state a range of challenges their business faces regarding product safety compliance, including keeping up to date with rules and regulations (33% vs 8% overall) and ensuring they meet standards / keep on top of their checks (25% vs. 3% overall).

Greater awareness of challenges may be indicative of greater engagement with the product safety system. Businesses in the clothing sector were much more likely to state they didn't face any challenges regarding product safety (80%) and almost a third (30%) felt they had no responsibility to ensure product safety standards beyond making sure nobody is harmed (compared with just 4% of those in the cosmetics sector).

Online presence

Some differences were found between instore-only retailers and online-only retailers[11]. Online-only retailers were more likely to report that they use manufacturers as a source of information when complying with product safety obligations (75% vs. 53% of instore-only retailers). They were also more likely to report that they found manufacturers the most useful source of information (35%) compared to 15% of instore-only retailers. Online-only retailers were more likely to report that they were responsible for resolving product safety issues when they arise (66% vs. 51% instore-only). Instore-only retailers were more likely to report that ensuring customer loyalty was the primary reason for ensuring high levels of product safety standards (15% vs. 6% online-only[12]).

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[11] Comparisons between businesses with an online presence compared with instore only can only be carried out on retailers. Data regarding online presence of other businesses surveyed not available.
[12] Difference not statistically significant, finding indicative only.

The impact of emerging business models and technologies

The growth of online marketplaces (such as eBay, Amazon) were perceived by many organisations interviewed to be a key challenge to the product safety system. Online marketplaces were perceived to be much less regulated and linked to a range of issues such as counterfeit goods and cheap products imported from countries perceived to have lower product safety standards. Organisations interviewed expressed concern that they were too big and growing too rapidly control and that current models and systems were set up assuming a traditional manufacturer – supplier – retailer – consumer model which did not fit with the 'online model' which enables consumers to buy directly from manufacturers.

Emerging technologies were more of a double-edged sword. Some organisations discussed the challenges around the speed at which new technology enters the market, putting pressure on regulation to keep up-to-date with new advancements, and in turn pressure on businesses to keep up with changing regulation and new requirements for testing. However, organisations interviewed also discussed the potential that new technologies could bring such as 'smarter' products that can respond to faults, improvements in testing that could make this cheaper for businesses and more accurate. Some organisations spoken to suggested ways in which new technology, such as new apps, could contribute to the product safety system by, for example, allowing customers to easily access information about the safety of a product.

Annex 1. Case studies

Case Study 1: A mobile phone repair shop

James[13] owns a small mobile phone repair shop and also sells small electronics such as chargers and powerbanks. He also carries out repair work on mobile phones and installs small electronics such as LCD screens for TVs.

James discussed a range of challenges and concerns he faced regarding product safety compliance. He typically sells pre-packaged products and uses these for repairs, for example installing a replacement screen. He described how he must trust that the manufacturer has done the correct checks to ensure that the product is safe, although he was not always certain this is the case.

> "We try to use the best quality products we can't get inside (pre-packaged items) to check…"

James expressed that he wanted to give safety advice to his customers but was not always able to do so. He recalled a recent sale in which the customer asked him how long a powerbank should be left to charge. James checked the packet, but found the information was written in Chinese.

"I couldn't give them that information about how long you have to charge it...I just said 'until the light goes green'. But obviously they are not going to sit there watching it…and if it gets too hot it might explode."

He reported that if a customer comes back with an issue it is very difficult for him to do anything. Previously, he had reported product safety issues to his supplier, but they have not taken responsibility and no action occurred as a result of this. His suppliers told him at the time it is their (the supplier's) responsibility to ensure the product to be working at point of sale or installation, and if there are issues months later it is not their fault. James felt these challenges around accountability were even greater when goods were imported.

"End of the day they just hang back and say 'we can't do anything, we just get it as it is from abroad'…that's really not good, because then all the liability falls on the installer…we haven't any clue who else to report to."

James had not heard of OPSS prior to the interview but was optimistic when he discovered this body existed. He felt OPSS may be able to regulate imported goods and bring in clearer regulation and guidance, including a requirement for all safety information to be in English. He also expressed the desire to see a central place where businesses can register products on behalf of their consumers.

"It's not like when you get something from Currys and you can go on their website and register it with them. We try to encourage consumers to register their goods– it's fine if there is a leaflet

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[13] To ensure anonymity of respondents, pseudonym names are used for all case studies

in the package or something - but suppliers don't know who their own suppliers are so how can we do this? Would be good to have a central place in UK where you can register all products."

Case Study 2: Manufacturer and distributor of toys

Sarah works for a small manufacturer and distributor of toys and AI emerging technologies. She is responsible for product development, product sourcing and distribution channels.

Sarah mentioned that one of the primary ways her business ensures product safety is through the use of external testing agencies.

"When required we use testing agencies and if we haven't got a testing agency because some of our products are specialist, we have arrangements with institutional organisations who would do testing for us."

"Products are given out very often to primary school children to use so everyone in our process from designers (design process) through to factories (production process) knows that"

However, she felt that a key gap in the toy industry is the lack of product testing and gaps within the testing centres. She gave the example of a testing centre which could only test the machine producing the product rather than the product itself.

"It's the frequency of the testing needed. We launch a product with the intention of it being repeatable. In the toy industry they are bringing out new variants all the time, new variants of the same stuff but new variants which require testing… We need more testing of the product being made not the machine that is making it."

Another key challenge she felt the product safety industry faces is the production of counterfeit products and their sale on online marketplaces such as Amazon and eBay. She also felt that product safety should be more highly regulated on online marketplaces, in particular eBay.

"We have had our products copied and put out on eBay. There is no evidence of who is selling them, they are anonymous companies that set up – here today, gone tomorrow."

"I don't think they (eBay) are trying. I don't think they care. I think I could put pretty much anything on there, and they would take it."

She works closely with key bodies including the British Standards Institution, the UK Accreditation System and the Chartered Trading Standards Institute, as well as number of trade associations and believes the standards are well upheld.

"Standards are upheld very well. We work alongside associations like the Association for Science Education, BESA (British Educational Suppliers Association). These are the people who are driving the standards [sit on committees] so we are working alongside organisations that are driving the standards and possibly having input into certain areas."

Case Study 3: Manufacturer of small electronics

Alex has been in the industry for many years and works for a medium sized business that manufactures small touch screen electronics for the public sector. The majority of his products are bespoke designed to fit the customers' needs.

Although he is not directly involved with product safety as this is overseen by the larger parent company they are a subsidiary of, he felt that manufacturers are responsible for ensuring product safety.

"We do all the research and the design is based around safety as it's used in the public sector and by lots of members of the public. We have to make sure it's safe to work in that public environment."

However, he also discussed how all actors along the supply chain have a role to play.

"It's a collective effort. Before the installation the responsibility lies with us as the manufacturer, but once it's installed the responsibility is then passed on to the site who is maintaining that."

Although Alex was previously unaware of OPSS, he discussed how his business benefits from having an overarching body (the BSI) to ensure that standards in the industry are very strict and highly maintained.

"We get regularly audited by those kind of agencies and there is no slacking there. I'm not directly involved with that but I know that they are very hot on those guidelines."

Overall, he felt that product safety works well within his industry and is strictly managed, but a challenge faced by manufacturers is when they are rushed to finish products and encouraged to keep costs down which can put product safety at risk and lead to mistakes. He reported that he has seen this happen throughout his time spent in the industry.

"There are occasions - less than 5% - when we are pushed against time or certain recommendations or guidelines and being rushed into certain products and that's when you cut corners and bypass processes, and that's when mistakes happen."

Alex felt the biggest challenge his business faced to ensuring product safety emerged when importing parts for their systems internationally from regions such as East Asia. He raised concerns about the safety of these products and felt uncertain as to how strictly these suppliers followed UK guidelines. He explained that if parts are bought from UK manufacturers, his company will visit the sites at least once to ensure they are meeting all safety and quality standards, but this is not possible with all international manufacturers.

"I am not very comfortable not knowing how much they actually adhere to those guidelines on their day to day working. We test everything from them. There are occasions when we have to fail products and we return them for replacements. Because I don't have control over their manufacturing process, I'm not 100% comfortable about their safety guidelines or standards and how much they are adhering to those."