2018 IN REVIEW
AHFA is our voice. They make sure our agenda – the agenda of the entire home furnishings industry – is in front of regulators. They provide a platform for us to collaborate with one another and with other stakeholders on key issues, and that’s a unique and vital service to our industry.

Bill Wittenberg
2018 AHFA Chairman
Klaussner Furniture
AHFA not only helps us refine our voice on regulatory issues, it magnifies it. The accomplishments of a good team will always exceed the efforts of its individual members.

Gat Caperton
Gat Creek Furniture
In 2018, AHFA affirmed its leadership and advocacy on behalf of the $58 billion residential furnishings industry in America. Having earned the attention and respect of federal and state regulatory leaders, AHFA was able to supply members with the highest level guidance available as companies navigated the complex requirements of the federal formaldehyde rule and California’s Proposition 65, both of which had key compliance deadlines in 2018. These efforts saved members tens of thousands of dollars.

Meanwhile, AHFA took on unexpected adversaries in its efforts to promote safe furnishings for American homes, especially those where small children are present, and it continued advocating legislation that would require a federal upholstered furniture flammability standard.
SIDESTEPPING LEGAL LAND MINES

After years of consulting on the technical aspects of the EPA’s Formaldehyde Emission Standard for Composite Wood Products, in 2018 AHFA found itself representing the industry in a legal battle over the law’s implementation timeline. Without AHFA’s advocacy in the case, the results could have been economically devastating to the industry and resulted in severe disruptions to the supply chain. AHFA helped negotiate the resolution approved by the courts in March. The Alliance then hosted two webinars in April to help members understand the adjusted compliance timeline.

PROGRESS ERASED: SOFFA BACK TO SQUARE ONE

When the 115th Congress adjourned in December 2018, all bills that had been introduced but not yet passed - including the Safer Occupancy Furniture Flammability Act (SOFFA) - died a quick, inconspicuous death. SOFFA, which achieved rare bipartisan support in 2018, would require the U.S. Consumer Product Safety Commission to adopt California Technical Bulletin 117-2013 as a federal upholstered furniture flammability standard. It is expected to be reintroduced in the 116th Congress, and AHFA will continue working to see this measure through.

AHFA & FORMALDEHYDE: A 26-YEAR JOURNEY

THE JOURNEY BEGINS

California Air Resources Board (CARB) lists formaldehyde as a toxic air contaminant, and composite wood products are named a “major source” of formaldehyde emissions.

FIRST RULE PROPOSED

CARB releases a proposed enforcement rule focused on testing finished home furnishings products. AHFA joins with seven other wood industry associations to form the California Wood Industry Coalition urging CARB to focus on raw panel certification rather than finished product testing.

TSCA TITLE VI SIGNED

First phase of CARB emission standard is implemented. Meanwhile, the federal Formaldehyde Standard for Composite Wood Products Act, based largely on the CARB regulation, is signed into law, becoming TITLE VI of the Toxic Substances Control Act (TSCA).

EPA RULES RELEASED

EPA releases proposed rules for implementing and enforcing the federal formaldehyde rule, but they will be debated another three years before being finalized.

EPA RULES FINALIZED

CARB settles largest enforcement case to date when Lumber Liquidators pays $2.5 million penalty for selling noncompliant laminate flooring. Meanwhile, EPA publishes final implementation rule for the federal standard in December.

TRUMP CAUSES DELAY

In January, newly elected President Donald Trump freezes all regulations that are published but not yet effective, setting off a chain of events that delay the federal rule’s compliance timeline another year. AHFA opens the year with a Formaldehyde Workshop, then works with EPA throughout the year on technical amendments to the implementation procedures.

COURT SETTLES DATES

March court order sets June 1 as final effective date for the federal formaldehyde rule.
In 2018, the home furnishings industry faced an unexpected adversary to the F2057 voluntary stability standard and the collaborative ASTM International process that created it. In March, Consumer Reports magazine released results of ad hoc tip testing on 24 chests and dressers from 10 manufacturers. From this limited sample and its review of CPSC data, the magazine concluded, “The tip-over problem is epidemic.”

By-passing the ASTM Furniture Safety Subcommittee that oversees the standard, the magazine released its recommendations for overhauling the stability measure directly to network television and a variety of other high-profile news outlets reaching more than 24 million consumers. In May, CR presented its results to the subcommittee and immediately proposed changing the test weight in the standard from 50 to 60 pounds and expanding the scope to cover all clothing storage units regardless of height – again based on its evaluation of products from 10 manufacturers.

AHFA was among subcommittee members voting against the changes on the basis that CR presented no correlation between a 60-pound test weight and improved safety. The subcommittee did agree to investigate the minimum height requirement further. However, as a task group explored the minimum height issue later in the year, CR published another report, this one recommending the CPSC ditch the voluntary standard and begin rulemaking on a mandatory standard incorporating CR’s recommended changes.

Throughout 2018, AHFA remained committed to supporting the ASTM consensus standard process, improving compliance and pursuing meaningful enhancements to the standard. In August the Alliance delivered six recommendations to CPSC Acting Chair Ann Marie Buerkle. These included proposals for funding additional research to inform improvements to the stability testing requirements in the standard and stepped-up enforcement actions targeting non-compliant products.

In September, UL introduced “Stability Verified,” a program designed to help consumers easily identify compliant clothing storage furniture. By year-end, a dozen AHFA member companies were already participating. In October, CPSC staff unveiled its 2017 tip-over incident data at AHFA’s Regulatory Summit. The data showed continued declines in both fatalities and estimated injuries associated with clothing storage furniture. Newly confirmed CPSC Commissioner Dana Baiocco addressed industry executives at the Summit and later scrutinized F2057 testing procedures firsthand as they were demonstrated at a member company facility. Finally, in December, AHFA reviewed preliminary results of independent, third party research it commissioned that included comprehensive data analysis and tip-over incident reviews to evaluate the effectiveness of the current standard.
Navigating Prop 65 Labeling

Revisions to the labeling provisions in California’s Proposition 65 were intended to add clarity to the rule – especially for industries like home furnishings that secured a customized labeling “safe harbor.” As the August 30 implementation date for the new labeling protocol approached, however, confusion set in. AHFA developed three in-depth Furniture Executive articles to address most frequently asked questions. An all-day workshop in March – a rare members-only forum – gave member company executives direct access to leading legal experts on the regulation, and a detailed compliance workbook was released in May.

States Enact Chemical Regulation

Regulating chemicals by “class” rather than one-by-one, and by state, rather than through federal legislation, is the new focus of prominent consumer and environmental health organizations. In 2018, California passed legislation prohibiting the sale of furniture containing flame retardants, and Minnesota’s ban of upholstered furniture containing FRs (passed in 2015) went into effect. By year end, an organization called Safer States found 28 states considering policies to require chemical disclosure or to limit consumer exposure to chemicals. AHFA worked to keep members informed about all state-level initiatives impacting home furnishings.
INSPIRATION

From industry pioneers to a “retail genius,” AHFA and its affiliate organizations paid tribute in 2018 to individuals and companies that inspire, motivate and lead our industry.

While recognizing and honoring accomplishments of the past, AHFA also kept an eye on the future. The Furniture Foundation awarded grants to support education programs targeting furniture design students, new upholstery workers, young executives and promising university students. In addition, AHFA’s Solution Partners division expanded its scholarship program for the children of industry workers, and ICFA launched a scholarship focused on product design for the outdoor environment.
George Revington, retired president and chief operating officer of Home Meridian International, received AHFA’s Distinguished Service Award for 2018.

Billy Markowitz, ICFA’s 2018 Sales Representative of the Year.

James Flanders, Lou Rosebrock, Dudley Flanders and Warren Juliano accepted the ICFA Manufacturer of the Year award for Lloyd Flanders.

Single-store Apollo winners Dustin, Brenda and Lester Bowman of Bowman’s Stove & Patio, Ephrata, Pa.

ICFA 2018 Lifetime Achievement Award honorees Larry Smith, Village Green Home and Garden, Rockford, Ill., and Steve Elton, Brown Jordan.

George Revington presents the multi-store Apollo to Brian Singman of Porch & Patio Casual Living of Warwick, R. I., and Mystic, Conn.

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LIFETIME ACHIEVEMENT

George Revington, retired president and chief operating officer of Home Meridian International, received the coveted Distinguished Service Award at AHFA’s Annual Meeting in November. ICFA’s 2018 Lifetime Achievement honorees were Larry Smith, owner of Village Green Home and Garden, Rockford, Ill., and Steve Elton, chief brand curator for Brown Jordan.

AWARDS GALA

At ICFA’s Annual Awards Gala during Casual Market Chicago in September, Lloyd Flanders received the ICFA Manufacturer of Year award. Billy Markowitz was awarded Sales Representative of the Year. Bowman’s Stove & Patio, Ephrata, Pa., received the single-store Apollo Award, and Porch & Patio Casual Living, Warwick, R.I., and Mystic, Conn. received the multi-store Apollo.

INDUSTRY FIRSTS

At ICFA’s second annual Educational Conference in Fort Lauderdale, Fla., Jessica Salisbury accepted the first Mary Fruehauf Retail Genius Award on behalf of Village Green Home and Garden of Rockford, Ill. The first Industry Partner Award was presented to theMART, Chicago.

SCHOLARS HONORED

Chhavi Kashyap, a graduate student at the Savannah College of Art and Design, received ICFA’s first Richard Frinier Design Scholarship. Kashyap was awarded a $2,000 scholarship, plus her market travel expenses. AHFA’s Solution Partners division awarded eight $2,500 scholarships in 2018 to students who are children of AHFA member company employees. More than 100 scholarships have been awarded since the program was launched in 1990.

FOUNDATION GRANTS

Among the AHFA Furniture Foundation grants in 2018 was $19,000 for laptop computers at the Catawba Valley Community College Furniture Academy in Hickory, N.C.; $19,000 for industrial sewing machines at Caldwell Community College and Technical Institute; and $20,000 for WithIt’s Rising Leader Program, which brought 20 promising university women to the organization’s annual education conference in Charleston, S.C. In addition, the Foundation once again dedicated $12,000 to Appalachian State University in Boone, N.C., to fund four furniture design scholarships and also awarded $10,000 to the American Home Furnishings Hall of Fame to underwrite executive development training for industry professionals.
AHFA is an integral connector in the industry. They support and foster key relationships that are beneficial to all parties involved. They create conversation and connection, and that allows growth to happen.

Heather Corrigan
Lectra
JANUARY

• ICFA opens the year celebrating its 10th anniversary of service to the outdoor industry.

• AHFA submits comments to the U.S. Consumer Product Safety Commission commending the companies that dedicate time and resources to the voluntary furniture stability standard, which has helped reduce the number of fatalities involving clothing storage units, and opposing CPSC’s proposed rulemaking for a mandatory standard.

• Village Green receives the first ICFA Retail Genius Award, named after retailer Mary Fruehauf, who was known for her creativity. ICFA’s first Industry Partner Award is presented to theMART in Chicago, host of the annual Casual Market for more than four decades. Both awards are presented during ICFA’s Education Conference in Fort Lauderdale attended by about 180 members.

FEBRUARY

• A U.S. District Court judge rules to vacate the amended compliance timeline in the federal formaldehyde emission standard. AHFA represents the furniture industry in negotiations with EPA to establish revised deadlines within the rule.

• ICFA conducts its annual research on how Americans use their outdoor living spaces. The 2018 survey finds 56% of households plan to purchase new outdoor furnishings this year.

MARCH

• AHFA hosts a members-only workshop to help companies navigate new provisions in California’s Proposition 65 labeling law. The all-day event features California’s top legal experts on interpreting Prop 65 and its compliance complexities.

• Consumer Reports releases a detailed report in which they claim to have analyzed “thousands” of furniture tip-over incidents. They conclude that the voluntary furniture stability standard is inadequate and propose increasing the test weight from 50 to 60 pounds.

• A federal judge sets new compliance deadlines for the Formaldehyde Emission Standard for Composite Wood Products. AHFA represents the residential furniture industry in the settlement negotiations.

James Dickerson, chief scientific officer for Consumer Reports, appeared on CBS This Morning in March to tout the publication’s report on furniture stability.
APRIL

• AHFA holds two webinars to help members understand the adjusted formaldehyde standard compliance deadlines.

• Through its partnership with the International Home Furnishings Representatives Association, ICFA offers a new group health insurance program to retail and sales representative members.

• AHFA continues its WE COMPLY campaign at the April High Point Furniture Market. Dozens of bedroom furniture manufacturers participate by displaying the red, white and blue “WE COMPLY” tent card in their market showrooms.

• AHFA submits comments opposing a national upholstered furniture flammability standard that would have once again required an open flame test. Proposed by the National Fire Protection Association (NFPA), the measure would have forced the industry to explore the use of flame retardant chemicals again. NFPA later voted down the proposal.

• A USA Today Snapshot infographic highlights ICFA’s annual consumer survey, spotlighting that 70% of Americans enjoy spending time in their outdoor space more than they do their indoor space.

MAY

• AHFA is among members of the ASTM Furniture Safety Subcommittee voting against proposed changes to the voluntary furniture stability standard recommended by Consumer Reports magazine, including increasing the test weight from 50 to 60 pounds and removing the height limit on covered units. The magazine offers no data to support its proposals, other than tip-over tests conducted on units from 10 manufacturers. A new ASTM task group is formed to determine how a lower height limitation could be implemented.

• The Furniture Foundation awards 2018 grants totaling $80K to support education programs targeting furniture design students, new upholstery workers, young executives and university students.

• Stalled regulatory compliance guidance and the specter of tariffs are key concerns voiced by AHFA board members on Capitol Hill during the 2018 government affairs meeting in Washington, D.C.

• ICFA announces its third annual Educational Conference will be February 5-7, 2019, in San Antonio.
JUNE

• Logistics executives from AHFA member companies participate in a half-day annual meeting of the Specialized Furniture Carriers following Furniture Today’s Logistics Symposium at High Point University. Afterwards, the SFC votes to hold its own Logistics Conference in June of 2019.

• AHFA announces former CPSC Commissioner Joseph Mohorovic will keynote the 2018 Regulatory Summit in October, and newly appointed Commissioner Dana Baiocco is invited to close the day-long forum.

• The Solution Partners division announces the recipients of eight 2018 scholarships. The $2,500 awards go to students who are the children of full-time employees at AHFA member companies. The 2018 recipients include students with a parent at Century, Shenandoah Furniture, Covington Fabric, Hickory White, Franklin Corp., and La-Z-Boy Midwest.

• ICFA announces Steve Elton, chief brand curator for Brown Jordan, and Larry Smith, owner of Village Green Home and Garden in Rockford, Ill., are recipients of the 2018 Lifetime Achievement Award.

JULY

• ICFA announces Chhavi Kashyap, a graduate student at the Savannah College of Art and Design, will receive ICFA’s first Richard Frinier Design Scholarship endowed by the designer and his wife, Catherine.

• AHFA and UL announce the launch of “Stability Verified,” a program offering third-party verification of stability requirements within ASTM F2057. Following successful completion of the verification process, products are eligible to carry the Stability Verified Mark. Ashley Furniture, Hooker Furniture, Sauder Woodworking and Samson Marketing step up to participate in the pilot program and are the first to introduce “verified” products in the marketplace.

• The Solution Partners division votes to increase the number of scholarships presented in 2019 from eight to 10, bringing the total value of the annual awards to $25,000. The two new awards will be based on merit alone – in contrast to the other eight, which are awarded based on financial need and academic merit.

• ICFA holds a successful Preview Show at theMART in Chicago.
AUGUST

• AHFA files comments in opposition to the proposed 10% tariff on furniture components and finished products from China.

• ICFA announces finalists for the Apollo Awards, Manufacturer Leadership Award, Sales Representative of the Year and Design Excellence Awards.

SEPTEMBER

• More than 100 golfers from member companies participate in the 28th annual Education Golf Tournament sponsored by the Solution Partners division, and more than $30,000 is raised for the education fund.

• ICFA hosts Casual Market Chicago, as well as the ICFA Awards Gala and its sixth annual Industry Roundtables. TUUCI once again takes home the Design Excellence “Best in Show” award, this time for its automated “MAX” cantilever umbrella. Lloyd Flanders is honored as Manufacturer of the Year, while Bowman’s Stove & Patio and Porch & Patio Casual Living take home Apollo Awards for retail excellence. Billy Markowitz receives the 2018 Sales Representative of the Year.

• ICFA hosts its 16th annual editors tour of Casual Market Chicago, welcoming writers from Design New Jersey, Associated Press, Universal Press Syndicate, Trend Curve and more.

• Following the successful completion of a pilot program, AHFA and UL announce open enrollment for a new Stability Verified program, which identifies products online and in stores that meet the stability requirements of the voluntary furniture stability standard.

• At the annual ICFA membership meeting, Warren Juliano, Lloyd Flanders, is elected chairman of the 2019 Board of Directors, and Mariah Maydew, Fruehauf’s Patio & Garden, is named Retail Council chair.

“The Education Golf Tournament success allows us to give back to the industry with more annual scholarships than ever.”

Barrett Plasman  
2018 Solution Partners Chair  
Scott Insurance
"I am really proud of the strides our organization has made in raising awareness of the outdoor category as a thriving part of the overall furniture industry."

Terri Lee Rogers  
2018 ICFA Chair  
O.W. Lee Company

OCTOBER

• AHFA holds its largest Regulatory Summit to date, with top regulatory officials, legal experts and industry leaders addressing the industry’s most complex regulatory and compliance issues.

• Following the 2018 Regulatory Summit, AHFA hosts new CPSC Commissioner Dana Baiocco on a series of plant tours.

• The Safer Occupancy Furniture Flammability Act (SOFFA), drafted by AHFA, is introduced in the Senate with bipartisan sponsors. The bill would require the U.S. Consumer Product Safety Commission to adopt California’s Technical Bulletin 117-2013 as a federal standard.

• ICFA holds a membership meeting and workshop at The Langham Huntington in Pasadena, Calif. Attendees tour City of Hope, where Chair Terri Lee Rogers presents a $15,000 donation from the casual furniture industry.

NOVEMBER

• Against a backdrop of global trade tensions, U.S. Congressional elections and growing regulatory complexity, AHFA holds its 2018 Annual Meeting in Bluffton, S.C. Mark Vitner, managing director and senior economist for Wells Fargo, is the keynote presenter.

• Gat Caperton, Gat Creek Furniture of Berkeley Springs, W.V., is elected 2019 Chair of the AHFA Board of Directors.

• George Revington is honored with the 2018 Distinguished Service Award at AHFA’s Annual Meeting.

DECEMBER

• The Solution Partners division announces Barrett Plasman of Scott Insurance, Greensboro, N.C., will serve a second term as chair. Richard Tucker of Shelba D. Johnson Trucking, Thomasville, N.C., is named 2019 chair of the Specialized Furniture Carriers.
Throughout 2019, AHFA will leverage all its resources to continue providing the exceptional advocacy, education and tools our members need to prosper. We deliver meaningful results, so our members can make meaningful progress.

Andy Counts
AHFA CEO
A membership survey in December 2018 showed AHFA member companies were optimistic about the year to come, with 46 percent of the responding companies reporting their business outlook was “very good” or even “excellent.”

Regulatory compliance issues were among the top concerns identified in the member survey, and that’s where AHFA will focus much of its resources in 2019. Providing strong advocacy and developing tools members need to meet compliance obligations remain AHFA’s primary focus, along with these specific initiatives:

**NAVIGATE TSCA**
As the compliance timetable unfolds, AHFA will continue providing its member companies with the tools and education needed to navigate implementation of the EPA’s Formaldehyde Emission Standard for Composite Wood Products.

**ENRICH EDUCATION**
ICFA will host its fourth annual industry educational conference – Charting Tomorrow Together – at the Kona Kai Resort in San Diego on February 4-7, 2020. Throughout the year, a series of webinars will provide on-demand learning while hands-on activities and discussion events are scheduled during the ICFA Preview Show and Casual Market Chicago. Development of programs to build awareness and funds for City of Hope also are underway.

**STRENGTHEN F2057**
AHFA will continue to push for 100 percent industry compliance with the voluntary stability standard for clothing storage furniture. And, as it has for nearly 20 years, AHFA will actively pursue improvements to the standard as warranted by trends in product design, tip-over incident data or changes in consumer behavior.

**ENHANCE WEBSITE**
Easy and timely access to critical information is among the top reasons companies join AHFA. A significant overhaul of AHFA’s website in 2019 will keep that information at members’ fingertips and facilitate navigating the site from mobile devices.

**BUILD BENEFITS**
ICFA continues its outreach to all businesses involved in the casual furnishings category, as well as its pursuit of programs designed to improve business operations and profitability. A top priority for 2019 is revamping ICFA’s retail associate sales training program.

**PASS SOFFA**
Although AHFA garnered bipartisan support for the Safer Occupancy Furniture Flammability Act (SOFFA) in 2017 and 2018, it will have to begin the process anew in 2019 with the 116th Congress. SOFFA would mandate test methods and construction standards for reducing the risk of upholstered furniture fires.

**PROMOTING PARTNERSHIP**
Having greatly expanded its Scholarship Program in 2018, the Solution Partners division will continue enhancing efforts to build awareness of the program and to increase the number of scholarship applicants. Work to increase traffic on the MyFurnitureCareer website and to expand the number of participating companies also will be a priority in 2019, as will furthering the division’s initiatives to support furniture training programs throughout the United States.

**EXPLORE DATA NEEDS**
Seeking to regain its stature as a leading provider of data and analysis for the residential furniture industry, AHFA will work with stakeholders in 2019 to determine current information gaps and future needs.
The mission of the **AMERICAN HOME FURNISHINGS ALLIANCE** is to promote the growth and global leadership of its member companies by:

- Providing exceptional advocacy;
- Promoting effective product and safety standards;
  - Presenting relevant education; and,
- Serving as the preeminent media resource on industry news and trends.