

TCF Green Conference 2014

19th June 2014

Apparel & Textile Industries Group

**“SOURCING EFFICIENT , SUSTAINABLE
TCF GLOBAL SUPPLY CHAINS”**

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“SOURCING EFFICIENT , SUSTAINABLE TCF GLOBAL SUPPLY CHAINS”



ABOUT

Apparel & Textiles Industries Group (ATIG) combines decades of industry know-how and expertise; building solid supply chain relationships that foster flexible, innovative and responsive product development partnerships.



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INTRODUCTION

- Understand the Market; both supplying & buying
- Manage product execution, quality & delivery
- Manage Sustainability & Regulation
 - Social
 - Environmental
 - **Product Safety**



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THE PRODUCT SAFETY (INTERNATIONALLY)

- Product Safety –creating the pathway for global sustainability in the TCF and other industries today
- Why did Europe put strong product safety legislation in place ?



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THE PRODUCT SAFETY

What are Azo Dyes?

Azo dyes are a large class of very effective synthetic dyes used for colouring a variety of consumer goods such as foods, cosmetics, carpets, clothes, leather and textiles..

- Dyes which contain at least one azo bond (-N=N-).
 - Contribute to 60% - 70% of the dyes used nowadays
 - Outstanding fastness and wide spectrum
- Azo dyes are used in different dye classes for a wide variety of textile fibres dyeing processes;

- Direct Dyes; Cotton, Viscose, jute
- Acid Dyes; Wool, nylon, leather, fur
- Basic Dyes; Acrylic
- Disperse Dyes; Polyester, Nylon, Triacetate
- Reactive Dyes: Cellulosic, silk, wool, nylon
- Metal-complex Dyes: Wool, silk, nylon, leather



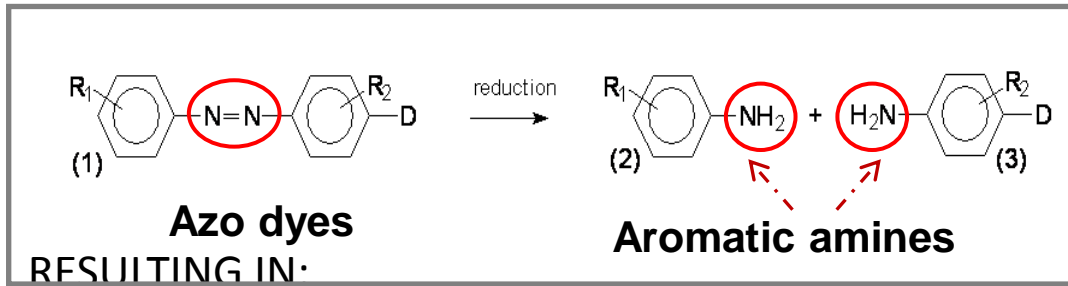
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THE PRODUCT SAFETY

What are “harmful” Azo Dyes?

Certain azo dyes may undergo *in vivo* reductive cleavage to carcinogenic aromatic amine.



- Health-endangering substances with carcinogenic and/or mutagenic properties
- Only those produced *aromatic amines* which are listed or found to be carcinogenic or suspected carcinogen are restricted.



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THE PRODUCT SAFETY (AUSTRALIA)

- Dumping ground for substandard product
- Creating unfair downward pressure on pricing, making it difficult for retailers and brands to compete & do “the right thing”
- Challenges;
 - Stock fabrics
 - Cost of Compliance & Textile Testing
 - Absence of a plan from Federal Government
 - Adopting EU legislative frameworks (<http://www.tfl.com/web/files/eubanazodyes.pdf>) for Australia without notice, education or consultation with retailer, brands or industry.



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THE PRODUCT SAFETY ISSUE (AUSTRALIA)

- Australian Competition and Consumer Commission (ACCC) instigated textile testing .
- Article surveyed; Underwear, Socks, Tops , Jeans, leggings and stockings, Exercise/active wear, Pyjamas and sleepwear, Pillow slips , sleeping bags, Handtowels, Footwear, Watch bands & Scarves.
- Over 97% of articles tested passed., of 199 articles tested.
- ACCC continued to test and in May initiated more product recalls.
- **2014 MAR-MAY** Product Recalls on 25 items; 19 denim jeans, 5 trousers and 1 red pillowslip.

<http://www.productsafety.gov.au/content/index.phtml/itemId/1007148/fromItemId/1006626>



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THE PRODUCT SAFETY

(AUSTRALIA)

RECENT MEDIA

“120,000 items recalled over cancer fears for dyes”
<http://www.gt.com.au/news/120000-items-recalled-over-cancer-fears-dyes/2253733/>

**Myer, Just Jeans and Target among major retailers
recalling products over azo dye**
<http://www.news.com.au/finance/business/myer-just-jeans-and-target-among-major-retailers-recalling-products-over-azo-dye/story-fnkgdftz-1226911481494>



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THE PRODUCT SAFETY

(AUSTRALIA)

What needs to happen now?

Recommend ACCC/Federal Government ;

- Conduct a study on regulation internationally in Chemical Product Safety in TCF, and understand the frameworks that currently exist to support industry understanding & compliance.
- Initiate education & consultation with industry and interested stakeholders to formulate a plan to develop Australian Legislation.
- Establish Product Safety Directives, and provide industry with adequate time to develop compliance frameworks.
- Pass Directives into legislation.



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How to establish a framework to comply with ACCC current requirements;

- Educate your company in Product Safety
- Advocate for Australian legislation
- Draft your company policy on Harmful Azo Dyestuffs, and appoint “champions”.
- Send your draft company policy to your suppliers and affect stakeholders for feedback
- Finalise your company policy .
- Draft implementation plan, including budget & resourcing requirements.
- Host a training presentation with Suppliers and Stakeholders to communicate final policy and implementation framework.
- Require Compliance documents signed and returned by an agreed date.
- Start a schedule of random textile testing with existing suppliers, and take action as necessary
- Ensure all new suppliers are compliant before business starts.



YOUR COMPANY LOGO

Insert Date

TO: All Garment and Fabric Suppliers

Following a number of product recalls by the Australian Competition and Consumer Commission (ACCC), (<http://www.accc.gov.au/media-release/accc-testing-prompts-clothing-recalls>), the ACCC with immediate effect require that all goods entering the Australian market place MUST comply with current EU market regulation, i.e. the 19th amendment of the Council Directive 76/769/EEC relating to restrictions on the marketing and use of certain dangerous substances and preparations (azo colorants). To protect human health, those azo dyes, which can break down under reductive conditions to release any of a group of defined aromatic amines, are prohibited from being used in those consumer goods which are considered to have regular skin contact.

In simple words, this means that effective immediately the Australian market will be required to prohibit the manufacture and sale of those defined consumer goods, which on chemical analysis are found to contain the listed aromatic amines originating from a small number of azo dyes. Articles coloured with all other azo dyes will be able to continue to be manufactured and sold without restriction. Since most coloured textile and leather articles are treated with azo dyes and pigments, it is an important point to realise that only very few azo dyes will be affected. It has been estimated that less than 4 % of known azo dye structures would release the corresponding amines. Additionally over the last few years, reputable dye manufacturers have stopped manufacturing such azo dyes and test institutes report the vast majority of samples tested today do comply with the EU Directive.

Table: List of aromatic amines according to the EU Directive 2002/61/EC (http://ec.europa.eu/chemicals/pdfs/legislation/directives/directive_2002_61_azodyes.pdf)

No.	Substance	CAS No.	No.	Substance	CAS No.
1	4-aminodiphenyl	92-67-1	15	4-aminodiphenylmethane	119-93-7
2	benzidine	92-87-5	16	4,4'-oxydianiline	101-80-4
3	4-chloro-o-toluidine	95-69-2	17	4,4'-thiodianiline	139-65-1
4	2-naphthylamine	59-8	18	2-aminotoluene	95-53-4
5*	4-amino-2',3-dimethylazobenzene	119-90-4	19	2,4-diaminotoluene	95-80-7
6*	2-amino-4-nitrotoluene	119-90-4	20	2,4,5-trimethylaniline	137-17-7
7	4-chloroaniline	119-90-4	21	2-methoxyaniline	90-04-0
8	2,4-diaminoaniline	119-90-4	22**	4-aminoazobenzene	60-09-3
9	4,4'-diaminodiphenylmethane	101-77-9			
10	3,3'-diaminodiphenylmethane	91-94-1			
11	3,3'-diaminobenzidine	119-90-4			

* amine 5 and 6 are considered indirectly via reduction to the amines 18 and 19 respectively
 ** no

DECLARATION: Each **YOUR COMPANY NAME** Garment supplier is required to complete one form per fabric supplier used in the manufacture of apparel goods made for all our businesses. Effective on all orders placed from **DATE**, I, _____ [insert name of fabric mill] declare that all goods and materials supplied in the manufacture of apparel for **YOUR COMPANY NAME** to _____ [insert Garment Supplier], and do not contain any of the above listed potentially harmful Azo Dyes and comply with EU Directive 2002/61/EC. Further that in the event that random testing proves our goods to be non-compliant that we will be responsible for all the costs associated with the necessary ACCC legislative product recall.

FABRIC MILL DECLARATION

Signed: _____ Name: _____
 Name of fabric mill: _____ Position: _____

GARMENT SUPPLIER DECLARATION

Signed: _____ Name: _____
 Name of Garment Supplier: _____ Position: _____



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COST of complying with ACCC current requirements;

- Developing your policy, and assigning responsibility
- Educating your business and suppliers in this requirement, potentially travel overseas.
- Employing or assigning an employee to champion this process.
- Textile Testing; Source: SGS Testing
 - Natural, polyester, leather: USD60.65
 - Other Materials: USD81.94
- Developing product recall procedures and allocating budget to manage.
- On-going consultation and engage with Industry Associations.
- Engage a PR firm to manage your brand risk.
- Legal advice if necessary

ACCC call for submissions by 12th June 2014

“Additional costs associated with options to limit hazardous aromatic amines in certain clothing, textiles and leather articles”



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