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PRESS RELEASE

Industry leaders call on MEPs to support 4 million Direct Sellers

If adopted on Thursday, amendments tabled by Rapporteur Andreas Schwab (EPP) for the European Parliament to the European Commission proposal for a Directive on Consumer Rights would undermine the position of 4 million direct sellers with a sector turnover of €10 billion.

Philippe Jacquelinet, FEDSA Chairman says:

"For my company, like many others in our sector, it is extremely difficult to operate in another EU Member State because of the different consumer protection rules on information requirements, thresholds and payment restrictions. The European Commission proposal admirably tried to solve this with harmonisation but amendments proposed by the European Parliament would only make things worse and take us back 25 years. We therefore call on MEPs to reject the proposed amendments."

The amendments would place direct selling¹ at a disadvantage vis-à-vis other sales channels. For example extensive and largely unread information has to be provided for each sale of a good when in-store sellers would not. In today's fast-moving convenience world this will turn-off consumers, reduce competition and damage small businesses. It will stifle the sector at a time when it can help create growth in Europe.

FEDSA² argues that the amendments demonstrate a lack of knowledge of the direct selling sector and a clear vision of the rules needed to protect consumers in the 21st Century sales environment. If adopted they would leave the industry in a worse position than that of the present Directive agreed in 1985.

¹ **Direct selling** is the marketing of consumer goods and services directly to consumers on a person-to-person basis, generally in their home or the home of others, at their workplace and other places away from permanent retail locations. Direct selling typically occurs through explanation or demonstration by salespeople referred to as direct sellers.

² **FeDSA** (www.fedsa.eu) is the representative body for the direct selling sector, whose members include 27 European Direct Selling Associations (DSAs), 22 of which in EU Member States. FeDSA represents directly through its corporate members and indirectly through the national associations over 1,000 direct selling companies with annual sales in excess of 20.0 billion Euro and 12 million independent direct sellers.