



Iain Wright MP
House of Commons
London
SW1A 0AA

25th February 2016

Dear Mr Wright,

I am writing to you in response to your letter dated 15th February, to address your questions and provide you with some further information on the current repair programme which has been widely, and in some instances inaccurately, reported in the media. You will have received a background briefing note from my team ahead of your interview on ITV's *This Morning* on Monday 22nd. However, I wanted to respond formally to your letter and answer your specific questions.

By way of background, Whirlpool Corporation acquired Indesit Company, including all its brands, Hotpoint, Indesit and Creda, in October 2014. Following the acquisition, Whirlpool's global safety team worked with Indesit to review its product portfolio. It is the outcome of those investigations that led Indesit to raise the issue for further consideration with the UK Trading Standards, who determined further action was required. For transparency I have included the statement from Trading Standards as an appendix to this letter.

Accordingly we issued a safety alert and instigated a modification programme for those tumble dryers affected. We are therefore advising consumers that their tumble dryers may continue to be used, while the repair programme is underway. However, we are urging customers to clean the lint filter after every cycle and ensure proper venting in accordance with the original instructions for use. We are also asking customers not to leave their dryers unattended during operation, either while asleep or out of the house.

The total number of appliances manufactured for the UK market between April 2004 and September 2015 is 5.3 million. However, given the timeline involved, we believe that well over one million of these products will already have been replaced and taken out of service. We are working hard to contact as many affected consumers as possible. To that end we have written to 3.4 million consumers and 1.2 million have registered with us for a free of charge repair. To date there have been approximately 750 reports in UK of product failures that appear to be associated with this issue over the last 11 years – equating to a rate of 0.014%. In a majority of those cases, the damage had been contained within the unit. We have three reports of injury related to this issue two for smoke inhalation and one for a burn for which the consumer did not seek treatment.

We are urging as many people as possible to get in touch with us and register their appliance. This is a major logistical task which we acknowledge. We want to resolve as many cases as possible quickly and safely. To that end, we will have recruited and trained an additional 300 engineers for a total of 1200 (the largest service organization in the country) by the end of March and will continue to hire until we resolve this matter. Whilst acknowledging the considerable work still to be done, our engineers are visiting more than 4,500 homes a day across the United Kingdom.

Whirlpool UK Appliances Ltd
Morley Way, Woodston, Peterborough, PE2 9JB
Telephone: +44 (0)1733 568989 Fax: +44 (0)1733 341783
Registered Office: Peterborough PE2 9JB – Registered in London 106725 – VAT No 513936740

www.whirlpoolcorp.com



You raise a number of specific questions which I have set out to answer below:

a. y Which specific models are affected by the design fault and how many do you estimate were sold between 2004 and 2015?

The products in question were sold between 2004 and 2015 under the Hotpoint, Indesit and Creda brands. All models of large vented and condenser tumble dryers produced during that period under these brand names are affected. We can confirm, the total number of appliances sold in that time period is 5.3 million. Given the timeline involved, we believe that well over one million of these products will have been replaced and taken out of service. I want to reaffirm to you and our customers that the affected machines are no longer in production as of October 1, 2015.

We also confirm that this issue has affected a limited number of machines under the Swan and Proline brands. Together with the brand owners of both Swan and Proline, we are undertaking the appropriate corrective actions and affected customers are being notified to ensure their appliances are modified, as part of the campaign overall.

b. y How many customers you have been in contact with since November 2015 and what steps you are taking to promote awareness of the design fault, identify and contact outstanding customers?

The safety of our customers is our number one priority and we are working diligently to ensure the outreach and modification campaign is carried out in a safe and timely manner. After engaging with Trading Standards, we issued a press release and took out an advert with The Times newspaper. Also, by working with our retail partners to identify consumers, we have followed up with outbound calls and letters to 3.4 million individuals. More than 1.2 million customers have registered with us for a free repair and we have resolved 150,000 cases at a current rate of around 4,500 per day and rising.

We are working to reach as many of our consumers as possible and to this end we are recruiting for extra engineers and call centre staff to cope with the increased demand. To help improve response time, we have recruited and trained an additional 350 call centre employees (an increase of over 75%) and by the end of March 2016 we will have recruited and trained an additional 300 engineers, which represents an increase of 30%.

c. y How long on average it takes once a customer contacts you for the fault to be rectified by one of your engineers?

The agreed programme will inevitably run over an extended period and is being carried out as efficiently as possible, given the extremely large numbers involved. Currently, once a consumer registers he or she will wait about 10 weeks to be scheduled for a repair date. Repair dates are currently being set out as far as January 2017. However, we are confident that this timeline will be reduced as we continue to register consumers, recruit more engineers and increase the resourcing of our call centre.

Whirlpool UK Appliances Ltd
Morley Way, Woodston, Peterborough, PE2 9JB
Telephone: +44 (0)1733 568989 Fax: +44 (0)1733 341783
Registered Office: Peterborough PE2 9JB – Registered in London 106725 – VAT No 513936740

www.whirlpoolcorp.com



d. f Given that the fault appears to be a long-standing design flaw; at what point did Hotpoint/Indesit/Creda first become aware of the problems and why were they not identified and communicated publically sooner?

The completion of the acquisition by Whirlpool occurred in October 2014. In early 2015, and over a period of several months, the Whirlpool global safety team worked with Indesit to review their entire product portfolio – all products and all platforms - according to Whirlpool's industry leading standards. Later that year, when the investigation began to reveal a possible concern with these dryers, we immediately raised the issue for further consideration with the UK Trading Standards, which determined that corrective action was required. Soon after, factory production of both platforms was modified and we launched a large-scale campaign including a November 23 press release. Our outreach continues to be focused on our consumers and providing them with the most appropriate advice and safety information during this repair campaign.

As the largest manufacturer of white goods products in the UK, selling over 3 million appliances in the UK each year and we employ over 3,000 across our UK manufacturing and office sites, we take our responsibilities very seriously. We are aware of how important safety is to our customers and for the wider white goods industry as a whole. To this end, we are also working closely with the Association of Manufacturers of Domestic Appliances (AMDEA) to drive forward safety standards and raise awareness of key sector issues, such as the importance of product registration, with all consumers.

On a personal note, I wanted to give you my assurance that as a company we are taking all possible steps to ensure we are supporting our customers to good effect and that everyone at Whirlpool Corporation is working single-mindedly to resolve all cases quickly and safely.

I hope the above answers your concerns or those of the Committee. We will be happy to keep you up to date on our progress and I would welcome the chance to meet in person. If I may, I will ask our respective offices to liaise to organise a mutually convenient time.

Yours sincerely

A handwritten signature in black ink, appearing to read "Maurizio Pettorino".

Maurizio Pettorino,

Managing Director, Whirlpool UK

Whirlpool UK Appliances Ltd
Morley Way, Woodston, Peterborough, PE2 9JB
Telephone: +44 (0)1733 568989 Fax: +44 (0)1733 341783
Registered Office: Peterborough PE2 9JB – Registered in London 106725 – VAT No 513936740

www.whirlpoolcorp.com



Appendix

Statement from UK Trading Standards

The Local Authority has a statutory partnership with Indesit under the national Primary Partnership scheme administered by the Better Regulation Delivery Office. Under this scheme the authority has been working closely with Indesit regarding issues raised by them, and advice sought regarding tumble dryers. The Local Authority has provided advice to Indesit on this matter and they have responded proactively to implement an agreed course of action. The company continue to remain in regular dialogue with the authority, during which progress is monitored and reviewed. Part of this agreement was to organise an outreaching repair campaign to modify the affected products, rather than a product recall.

Whirlpool UK Appliances Ltd
Morley Way, Woodston, Peterborough, PE2 9JB
Telephone: +44 (0)1733 568989 Fax: +44 (0)1733 341783
Registered Office: Peterborough PE2 9JB – Registered in London 106725 – VAT No 513936740

www.whirlpoolcorp.com