



National
Association of
Innovative
Lighting
Distributors

David Steiner - CEO
D+R International
600 - 1751 Pinnacle Drive
McLean VA 22102 USA

Christina Halfpenny - Executive Director
Efficiency Forward Inc. dba Design Lights Consortium
10 High Street Suite 10
Medford MA 02155

September 26th 2025

Dear Mr. Steiner and Ms. Halfpenny,

We hope this message finds you both well and in good spirits. We would also like to apologize for the tone of our earlier open note. Frustration got the better of us.

The National Association of Innovative Lighting Distributors (NAILD) has held its annual convention every year since 1977, with the exception of 2020 and 2021. At this year's convention, our members voted on a motion concerning future communication with your organization. Going forward, all correspondence from NAILD to you will be public and formally signed by our entire membership as a whole. While the vote was not unanimous, it passed overwhelmingly—with 89% of attending members voting in favor of the motion.

We didn't want it to come to this.

On May 16, 2025, we contacted Ms. Halfpenny privately with specific questions regarding tens of millions of dollars in non-profit, charitable funding from the lighting industry. Our inquiry focused on how these funds flow through the DesignLights Consortium (DLC), a "doing business as" (DBA) under the 501(c)(3) charity Efficiency Forward Inc., and how they are ultimately transferred to for-profit partners.

Rather than responding to the direct questions we raised in our letter, Ms. Halfpenny instead messaged our now Immediate Past President, via LinkedIn and made an unannounced call to his office.

Ms. Halfpenny did confirm in an email dated June 6, 2025, that these are classified as "D+R Expenses," identifying that a single for-profit company has consistently received these funds. Frankly, we found this hard to believe—until our DLC Committee Chairman, spoke directly with Ms. Halfpenny on July 1st, 2025. During that conversation, she reconfirmed that all of these funds are indeed going to D+R International. However, she was unable—or unwilling—to clearly explain what services D+R is actually providing in exchange for these substantial payments.

Following that, we contacted Mr. Steiner of D+R directly on July 16, 2025, requesting a clear explanation of what these tens of millions of dollars paid by DLC to his company are being used for. He did not respond. We followed up with an email on August 12, 2025, to remind him of our request. His only response was:

"We received your letter and have forwarded it to the DesignLights Consortium team. It is our understanding that they are handling responses to your inquiry.

Best regards... David"



We did not receive any further response from either of you—and we find it hard to believe that this was simply an oversight. At this point, it appears that there is an active reluctance to answer straightforward questions regarding these expenses.

In the absence of transparency, we are left to draw our own conclusions. Based on your publicly available reports and our internal analysis, it appears that between 2018 and 2024, D+R International has received an estimated \$38 to \$44 million from DLC. These funds appear to be allocated for what can only be described as spreadsheet management services—essentially, organizing and maintaining a spreadsheet after manufacturers have uploaded all required product information through a portal.

These figures are particularly striking when compared to the total annual revenue of the Illuminating Engineering Society (IES), a globally respected, long-standing non-profit standards organization in the lighting industry. IES's total revenue was significantly lower than the single line item paid to D+R International for every year records are available. For example, in 2018, D+R appears to have received \$9 million, and in 2019, approximately \$8.7 million. According to your 2020–2024 reports which are more specific, D+R received \$5,676,391 in 2020, \$6,793,754 in 2021, \$6,448,469 in 2022, \$5,369,852 in 2023, and \$5,140,422 in 2024—each year exceeding, and in some cases nearly doubling, the entire annual revenue of IES.

The comparison raises important questions about the proportionality of value delivered by non-profit organizations—particularly when considering that the Illuminating Engineering Society (IES) relies on volunteer experts to develop the foundational standards that underpin DLC certifications. These standards are contributed freely, in good faith, by professionals with genuine intentions to advance the lighting industry through a collaborative and holistic approach.

The DesignLights Consortium, however, appears to mine for specific metrics from these comprehensive standards, reducing the broader intent that created them to manufacture oversimplified certification criteria. These criteria are then positioned as the essential “benchmarks” of energy efficiency but really seemed designed to satisfy oversimplified and often perverse prescriptive electrical utility rebate and incentive requirements.

The result is a system in which DLC effectively dictates to the lighting industry how utilities expect other people's lighting products to be designed and manufactured. Lighting products that utilities will never actually own and have no stake in. And ironically, the whole system requires payment from the very stakeholders who volunteered to create the original standards in the first place.

DLC certification appears to serve little legitimate market purpose beyond providing manufacturers with access to the utility rebate programs over which DLC acts as gatekeeper. Rather than functioning as a meaningful or broadly respected industry certification, it increasingly resembles a “ticket to ride”—a mechanism to navigate rebate eligibility rather than a true mark of product quality or innovation.

No lighting professional, acting independently of utility incentives, would rely on DLC certification as a design or performance benchmark. Its value lies almost exclusively in its role within the rebate ecosystem—not in guiding best practices or advancing lighting technology.





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But what we find most concerning is the pattern in how these payments to D+R International are calculated. The amounts fluctuate in a manner that suggests they represent whatever funds remain after all other DLC expenses are covered, rather than being linked to a defined scope of work or a performance-based contract.

These concerns are further compounded by D+R's apparent poor performance in managing spreadsheet services over the years. Despite being handsomely paid for maintaining the Qualified Products List (QPL)—a core function of the DLC—D+R has continued to receive multi-million-dollar payments annually, even as the QPL has faced ongoing issues, including the listing of non-compliant or misrepresented products and persistent inconsistencies in quality control.

Yet, D+R has never been publicly held accountable or replaced, and our committee could find no public evidence that DLC has ever rebid the contract despite what appears to be a consistently poor performance in spreadsheet management services. In fact, D+R's role seems untouchable, regardless of results. With little more than what appears to be spreadsheet management services to show for these substantial payments, this arrangement raises serious questions about oversight, value, and whether the setup truly serves the industry and DLC's stated mission—or if something more concerning is at play. We want to know who is really in charge here?

We wanted to give you the opportunity to address these concerns privately, but our association's correspondence has been consistently ignored for nearly six and a half years. As a result, we've been forced into the public realm—something we never intended. This is your opportunity to demonstrate that our concerns are unfounded by providing clear evidence that the claims are false. The simplest way to begin rebuilding trust is for both of you to appear on a special Get a Grip on Lighting livestream, a podcast we have officially supported since episode 7. The livestream is scheduled for Friday, October 3rd, with Ms. Halfpenny appearing at 12:00 PM Eastern, followed by Mr. Steiner at 2:30 PM Eastern. The producer will send login credentials in advance, and you will need to log in 30 minutes prior to your scheduled time to ensure there are no technical issues.

Sincerely,

The Members of the National Association of Innovative Lighting Distributors

