

APPA PRODUCT SAFETY



**Product Safety  
Fundamentals for  
Australia & New Zealand**

*Module 3 : Supply Chains and Testing*

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APPA PRODUCT SAFETY

**Module  
Presenter**



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APPA PRODUCT SAFETY

**This module**

-  Supply chain issues  
- Designers, factories, sellers
-  Product testing  
- Commissioning, interacting, understanding reports



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APPA PROJECT SAFETY

### Disclaimer

This information is being furnished by APPA for education and information purposes only. The Association makes no warranties or representations about specific dates, coverage or application.

Consult with appropriate legal counsel about the specific application of the law to your business and products.



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### Supply Chain

The supply chain is a network that designs, manufactures, distributes and sells product.

Design  
Manufacture  
Sell



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APPA PROJECT SAFETY

### Promotional product industry model



```
graph LR; OF[Offshore Factory] --> S[Supplier]; S <--> D[Distributor]; D --> E[End User]; E --> EC[End User Clients]; DEC[Decorator] --- S; DEC --- D;
```



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**The product – Things to think about**

- Product selection or design
- Which factory or supplier?
- Dealing with an agent



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**Product design or selection**

Are you designing a product from scratch, or buying a finished product?

Know your product...

- How will it be used?
- Is it safe and fit for purpose?
- Do standards or regulations apply?



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**Product design or selection**

- Be specific with your information and specifications
- Will there be marketing claims on product?



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**Factory or supplier selection**

Choose a factory or supplier known for the product type. They should have:

- Expertise in product type
- Correct tools and machinery
- Understanding of the product standards and regulations



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**Factory processes**

Questions to ask the factory:

- What quality processes do they have in place?
- What testing is performed on the product?
- How can I be sure that production will be consistent?



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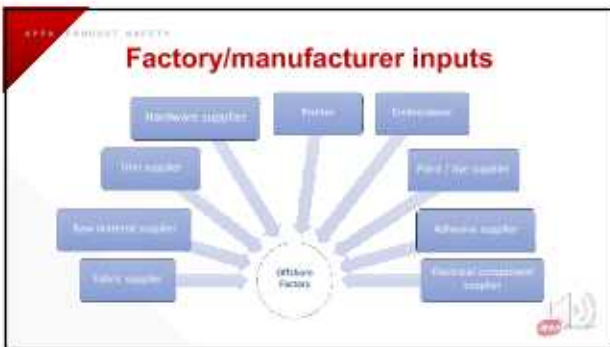
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### Manufacture of product – who's involved?

Who would have input into the manufacture of this cooler bag?



**PAUSE** Please *pause* the video and make a list



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1111 PRODUCT SAFETY

### Manufacturing– who's involved?

Suppliers of:

- Outer fabric
- Insulating liner
- Inner liner
- Trims – zips, zip pulls, D-rings, strap, clips, velcro and cord
- Hardware – wheels, handle, frame, screws
- Dyehouse for fabric



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1111 PRODUCT SAFETY

### Inspection and testing processes

- Inspections before, during and after production
- Testing of product samples



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OFFSHORE PROJECT SAFETY

### Final inspection

Once production is finished, a final inspection will be completed by:

- The factory, and/or
- 3<sup>rd</sup> party inspection company



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OFFSHORE PROJECT SAFETY

### Dealing with an agent

There may be an agent between the supplier and the factory, if so they should:

- Be able to answer questions regarding the factory
- Know the product type

And most importantly.....

- Have visited the factory



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OFFSHORE PROJECT SAFETY

### Dealing with an offshore wholesaler

Wholesalers should:

- Know the product type
- Be familiar with the factory, and/or be able to answer customer questions



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PPPT PROJECT SAFETY

### Post Production...

- Shipping
- Warehousing
- Handling
- Distribution
- Delivery

And of course...

- Branding / Decorating



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PPPT PROJECT SAFETY

### Branding or decorating locally

What steps are in place to manage the quality of the local branding or decorating?



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PPPT PROJECT SAFETY

### Marketing and claims

- In line with what the designer intended
- Marketing information must not make misleading claims
- It's important that product claims are verified



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CPSC PRODUCT SAFETY

### What could go wrong?

- The specification was not detailed enough?
- The factory was not an expert in the product category?
- Checks of locally decorated product not in place?
- Marketing claims not verified?

**PAUSE 11** Please *pause* the video and make a list



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CPSC PRODUCT SAFETY

### What could go wrong?

May not be the product you think it is	Marketing claims can't be met
Quality not as expected	Product may be damaged or contaminated
Does not meet regulation	Consumer may be misled
Factory may cut corners	Product could cause injury
No expertise in factory	



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CPSC PRODUCT SAFETY

### AS or NZ ISO 10377

Product line: 2010-04-15

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**Consumer product safety — Guidelines for suppliers**

Standard for products in cooperation with — Dependence on your  
to, for, for



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### Key takeaway points – Supply chain management

So far, we've looked at

- Multiple supply chain (network) elements
- Exposure to risk
- Need to manage the risks



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### Break time

We've covered quite a bit already ...  
Please now pause the video, stand up, walk around, have a stretch before moving



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APPA PRODUCT SAFETY

### Testing

If you're an importer or a distributor, you're likely to be given a test report from your supplier

Don't just file it away  
- go through the report and check what it means

You can commission your own testing by a test company of your choosing – domestic or overseas



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CPSC PRODUCT SAFETY

### Testing

There's a few basics to consider with testing

- Who commissions testing – Manufacturer? Importer? Distributor?
- Who conducts the tests? – are they qualified?
- What actual tests are done? Where are they set out?



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CPSC PRODUCT SAFETY

### The folding chair

Jack is a manufacturer in Asia whose design department has come up with a new children's folding outdoor chair

There's a market for this and Jack decides to make it



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CPSC PRODUCT SAFETY

### Folding chair standard

The US safety standard for folding chairs says the product must:

- withstand a specified weight without collapsing
- be stable in different situations
- not have any sharp edges
- not have any pinch points in the folding mechanism



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EPFL PRODUCT SAFETY

### The folding chair

*Jo the designer says she's got all that worked out – using her CAD software*

*Jack goes ahead and makes a prototype*

*'Is now a good time to test?'*



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EPFL PRODUCT SAFETY

### Why test a product?

- Some aspects can be assessed by just looking at them – Label present? Correct wording?
- Others need to be put through physical tests for design and perform
- Usually only know if a product is safe, and compliant with regulations, through testing



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EPFL PRODUCT SAFETY

### The folding chair

*Jack arranges for a test laboratory to test the prototype to the US standard, and it passes all the tests except the one for sharp edges*

*Jo revises her specifications and new tests report a pass to the whole standard*



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100% PRODUCT SAFETY

### The folding chair

Jack can now proceed with production

Production samples are sent for testing, as quality assurance



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100% PRODUCT SAFETY

### Riya's story

Riya is an Australian importer of camping goods

She likes the Folda chairs and has promotional distributors in Australia and New Zealand interested

Before placing the order, Riya asks to see the test report



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100% PRODUCT SAFETY

### The folding chair

Riya gets her compliance officer to check the report against the safety standard

Riya starts selling the Folda to her distributor customers, and is able to provide them with a copy of the test report



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PPSC PRODUCT SAFETY

### How did Jack choose his test company?

Jack used a test company accredited to test to the US folding chair standard

Used for all his testing over a long time

He has confidence in that test company



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PPSC PRODUCT SAFETY

### Test company

Riya and her compliance officer also use the same company for their testing

They were able to rely on the report that Jack provided



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PPSC PRODUCT SAFETY

### 12 months later . . . a similar folding chair is recalled

Riya is subscribed to the Product Safety Australia recalls list

One day she gets an email about a recall for a child's folding chair that looks identical to The Folda



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**Similar folding chair recall**

Riya calls Jack's company straight away –  
'Is this the same product?'  
'Does Jack's product have the same defect as the recalled chair?'



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**Similar folding chair recall**

The recalled chair is a cheap copy of Jack's Folda chair, made by another factory  
Nonetheless, Jack has sent his chairs for re-testing, to double check



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**Similar folding chair recall**

Reports reaffirm the original test pass  
Riya can continue supplying the chairs - and reassure her own customers



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4388 PRODUCT SAFETY

### Daniel's story

Daniel runs an importing company in Sydney

He saw that the Folda was a success, but found a cheaper version online "The Kids Chair"

He then imports and sells the Kids Chair across Australia



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4388 PRODUCT SAFETY

### Daniel's story

Daniel was sent a copy of a test report for The Kids Chair, and didn't commission any other testing

Only 3 months after his product hit the market, he had received six complaints of the chairs collapsing, and then a report of an injury



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4388 PRODUCT SAFETY

### Daniel's story

After the first two complaints, Daniel sent samples to a local test company, - the chairs failed the weight test

Daniel reports the injury to the ACCC

He recalls the chairs from all consumers and trade customers



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EPPE PRODUCT SAFETY

### Daniel's story

Daniel checks the original test report he'd been given by the manufacturer

- by a test company he'd never heard of
- no accreditation stating competency for that standard



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EPPE PRODUCT SAFETY

### Daniel's story

Daniel's lack of due diligence will cost a lot:

- lost sales
- running the recall
- retrieving stock
- possible court action by the injured child's family
- reputation damage
- and more



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EPPE PRODUCT SAFETY

### Anna, the distributor

Anna had bought The Kids Chair from Daniel's company, and had it decorated for her client, "The National Safe Swim Campaign"

Anna had to advise the Safe Swim people of the recall, refund their payment, and manage the fallout



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EPFA ABOUT SAFETY

### Testing

It's necessary,  
and valuable



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EPFA ABOUT SAFETY

### Testing – a reminder

If you're an importer or a distributor, you're likely to be given a test report from your supplier

Don't just file it away –  
Go through the report and check what it means



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EPFA ABOUT SAFETY

### Who commissions testing?

- Manufacturer? Importer? Distributor?  
(Any or all)
- Test to which standard?
- Which part/s of the standard?



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ACCC PRODUCT SAFETY

### Who conducts the tests?

Are they:

- Qualified? – eg. accredited
- Competent? – references?
- Reliable? – industry reputation



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ACCC PRODUCT SAFETY

### Read and understand reports

- What actual tests are done?
- Pass/Fail?
- Is the report current?



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ACCC PRODUCT SAFETY

ACCC  
*Guide to testing*



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PPS PRODUCT SAFETY

### Key takeaway points - Testing

- Value of testing for design, performance and production
- When to test
- Who should arrange tests, the need to choose your tester wisely
- Check reports closely



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PPS PRODUCT SAFETY

### Conclusion

- Understand where your product is coming from
- Take an active role in checking your products' safety and compliance
- Stay up-to-date



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PPS PRODUCT SAFETY

### Thanks for participating

Please take a moment now to note down at least one thing you will do to make your products safer.



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