

Product Responsibility Best Practices	SUBJECT Customer Service Rep Compliance Training		LAST UPDATE July 2018
	APPLIES TO • Suppliers	FOCUS ON How to effectively handle a distributor's basic compliance questions on the front line	
	QUICK LINKS <ul style="list-style-type: none"> • PPAI Corporate Responsibility: www.ppai.org/corporate-responsibility/ • UL: industries.ul.com/premiums-promotional-and-licensed-goods • Consumer Product Safety Commission: www.cpsc.gov 		Intended for advanced compliance programs

Italic grey text indicates a hyperlink listed in the Online Resources section of this document.

Every day more distributors participate in the Product Safety Aware program and begin to understand their responsibility to comply with product safety regulations on federal, state and international levels. This knowledge has increased the number of questions that suppliers are now receiving from distributors regarding corporate responsibility. These questions can range from simple requests for test reports to complex inquiries into social audits or chemical toxicology reviews.

As suppliers complete the Product Safety Aware program and begin to establish or enhance their own compliance processes they are finding that it is not enough to simply have the organization's compliance information in the hands of one person alone. Leading suppliers are implementing best practices whereby their entire staff has some elementary knowledge of the organization's compliance program, knows how to locate documents, and is comfortable answering basic questions posed by distributors.

WHERE TO START

Staff Training

Suppliers put a great deal of time, effort, and money into developing and promoting effective corporate responsibility programs. This serves three purposes:

1. to comply with laws and regulations,
2. to enhance their value position to distributors in order to increase volume and
3. to be responsible and respected corporate citizens.

All of this can be undone when the front line employees are not familiar with the organization's compliance policies and where to obtain documents and answers to their customer's basic compliance requests.

While it is not possible for all staff persons to be experts in compliance, it is necessary for everyone to have a familiarity with compliance as it relates to the products they sell. The primary compliance areas to focus on when training front line customer service reps include:

- Awareness of the organization's compliance policies
- Familiarity with common compliance terms (i.e. CPSIA, Prop 65, CPC, GCC, tracking labels)
- Ability to efficiently access certain documents (i.e. test reports, certificate of conformity, values statements)
- Knowledge of who the organization's compliance officer and/or product safety ambassadors are and where to go to for assistance

Promoting a compliance mindset throughout the organization helps avoid the pitfalls associated with the lack of compliance knowledge typically prevalent among front line workers.

When distributors call a supplier with compliance questions they assume that the person on the other end of the phone has basic knowledge of what their organization has in place regarding compliance. A customer service rep who does not have answers will leave the caller frustrated and distrustful – and may result in lost sales.

Be Prepared To Provide Information

Suppliers should be prepared to provide all product safety information. At the very least this includes:

- The organization's compliance position
- Answers to elementary questions
- Copies of GCCs or CPCs and test reports
- Explanation of tracking label existence or exclusion
- Summary of how the company addresses California Prop 65 labelling

Obtain Information

Compliance with product safety regulations varies on a situational basis—who will receive the product, who will or may use the products, and where geographically the products will be given out.

- Children as recipients - Based on conversations with your distributor, determine if the end buyer intends to distribute the products to children at a given event. The product might be a “general use” (non-children’s) item, but if you know from your conversation with the distributor that the product is being distributed to children, you need to let your distributor know your policy regarding product safety. General use items distributed to children do not necessarily need to comply with CPSIA regulations, but that type of conversational transparency is important for the supplier, distributor and salesperson.
- Geography - The CPSIA does include a provision regarding preemption, which essentially states that if a requirement is covered by a federal regulation – whether the Consumer Product Safety Act (CPSA), the Federal Hazardous Substances Act, the Flammable Fabrics Act, the Poison Prevention Packaging Act, or another Federal regulation – then the state or local law is preempted. However, the preemption clause does not cover any state or local warning requirements. In addition to *California Proposition 65* there are other *State requirements* that are not covered by any Federal regulation.

Communication/Guidance

- Develop a checklist of specific questions to get a handle on who will receive the products, who may ultimately use the products, and where geographically the products will be given out.
- Inform the distributor if you consider the item to be a children’s product along with an explanation of why or why not.
- Advise the distributor regarding what applicable regulations apply.
- Tell the distributor how the product does or does not comply with specific regulatory requirements based on the intended distribution method, audience and location.
- Explain to the distributor that if a children’s product, that there must be a tracking label and what the tracking label information includes and means.

Maintain Accessible Technical Files

There are many regulations that require document retention. Referred to in compliance circles as a technical file, this collection

of documents is a comprehensive collection of information that details nearly everything about your product. Documentation should include details about the design, manufacture, and operation of a product – as well as compliance information.

When taking into account the documentation requirements of various countries, one could have a single file that includes all of these appropriate documents. Please keep in mind, however, that testing requirements are not harmonized, resulting in many unique requirements for various countries, such as the U.S. Undue Influence requirement and Europe’s Safety Assessment and Safety Data Sheets.

The information included in a technical file is an important part of any compliance program. The manufacturer or supplier must know their product – what it is made of, how and where it was manufactured, compliance information, and more.

The ability to quickly locate and share compliance documents with the distributor improves the communication flow and enhances the perception of professionalism. The organization’s compliance officer, procurement or production person, and/or product safety ambassador is usually the person responsible for developing and maintaining the technical file.

The responsible party should ensure that everyone knows how to locate information regarding how compliance has been determined, if all inventoried product has been made at the same factory and from the same lot of materials, and whether the desired modifications (e.g. imprint inks) affect the product’s compliance.

TECHNICAL FILE REQUIRED DOCUMENTATION	
Children’s Product Certificate (CPC)	
	Separate CPC’s and test records required for each manufacturing site
Certification test reports for each product	
	Children’s products require testing from a CPSC-approved third party test lab
	Annual Testing may be required
	General use products require testing as applicable per specific standards
	Corrective action plans should be documented if needed
Periodic Testing Plan	
	Children’s products require testing from a CPSC-approved third party test lab
	Periodic testing must include
	Tests to be conducted
	Intervals at which the tests will be conducted
	Number of samples tested

continued on the next pages

TECHNICAL FILE REQUIRED DOCUMENTATION

Production Testing Plan, may include:	
Internal/external test reports of recurring testing	
Production test results	
Periodic test results	
Process management records	
Controls charts	
Statistical process control programs	
Failure modes and effects analyses (FMEAs)	
Factory quality control plans	
Material Changes	
Records of any change in product's design, manufacturing process, or sourcing of component parts that may affect compliance	
Certification tests on changed product or components as needed	
Undue Influence	
Written policy with training records	

Quotation and Sales Order Best Practices

Create fields on all purchase orders that require answers to the following questions:

- Is this a children's product?
- Will children be recipients or ultimate users of this product?

If the answer to both of these questions is yes, it is important to note clearly on POs:

This product is intended for distribution to children. It must comply with all applicable federal and state regulations.

SUMMARY

As members of the promotional products supply chain, both distributors and suppliers are responsible for putting only safe and compliant products in the market. Distributors must protect their customer's brand as if it were their own. Suppliers must ensure compliance with all regulations and oversee all factories. Both parties must work together as partners to ensure only safe product is introduced to the market.

Online Resources:

How to Read Compliance Documents: www.ppai.org/media/1838/pr-guide-how-to-read-compliance-documents.pdf

PPAI Tool for Distributor-Buyer Communication: www.ppai.org/media/1841/pr-guide-product-safety-communication-for-dist.pdf

PPAI Code of Conduct: ppai.org/corporate-responsibility/ppai-code-of-conduct/

PPAI Responsible Sourcing FAQs: ppai.org/corporate-responsibility/product-responsibility/product-responsibility-faqs/

Sample Children's Product Certificate (CPC): www.cpsc.gov/business--manufacturing/testing-certification/childrens-product-certificate-cpc/

Technical File Procedures: http://www.export.gov/cemark/eg_main_017275.asp

PPAI Undue Influence Training: <https://onlineeducation.ppai.org/products/psa-required-undue-influence>

Recalls: www.recalls.gov

