

Product Responsibility Best Practices	<b>SUBJECT</b> Communicating Compliance with End Buyers		<b>LAST UPDATE</b> July 2018
	<b>APPLIES TO</b> • Distributors	<b>FOCUS ON</b> Engaging clients and prospects in conversations about compliance obligations and responsibilities	
	<b>QUICK LINKS</b> <ul style="list-style-type: none"> <li>• PPAI Corporate Responsibility: <a href="http://ppai.org/corporate-responsibility/">ppai.org/corporate-responsibility/</a></li> <li>• UL: <a href="http://industries.ul.com/premiums-promotional-and-licensed-goods">industries.ul.com/premiums-promotional-and-licensed-goods</a></li> <li>• Consumer Product Safety Commission: <a href="http://www.cpsc.gov">www.cpsc.gov</a></li> </ul>		<b>Intended for intermediate compliance programs</b>

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

Corporate social responsibility (CSR) is not a supplier only issue. Every member of the supply chain has a responsibility to put safe and compliant products in the market. Increasingly, end buyers are demanding more from their distributor sales partners by asking questions related to social responsibility and environmental sustainability. It is vital that you know what questions to ask, what answers to give, and what specific guidance you must provide to your supplier partners to ensure the process goes smoothly.

Every time an end buyer gives a distributor an order they are entrusting the distributor with their brand's reputation. You have a fiduciary responsibility and a business imperative to protect that brand. So what steps do you need to take to move forward with confidence?

## Establish And Communicate Your Values

### Code Of Conduct

Establish a code of conduct for your company and share your code with end buyers.

- *Adopt the PPAI Code of Conduct.* [Make that commitment proposals and RFP responses, post it on your website, and include a link to it in email signatures.] Proudly proclaim your organization's values and make sure everyone in your organization aligns day-to-day decisions with those values.

### Vet Your Suppliers

Establish processes and procedures to properly vet your suppliers.

- Determine where their strengths and weaknesses are regarding corporate responsibility.
- Require proof of compliance for any claims they make.
- Stay away from firms which don't know or don't care.

### Understand The End Buyer's Corporate Responsibility Position

Research the end buyer's mission statements, corporate responsibility statements, values statements, and community service initiatives. This information can generally be found on company websites, brochures and catalogs.

### Engage In the Conversation

The conversation begins with sharing the basics of corporate responsibility. *The intent is to create awareness and demonstrate value.* Let buyers know that when regulations exist –product safety laws related to children's products, for example – that compliance is required by law. Help them to understand that these regulations do not apply only to promotional products. They should discuss this with your competitors and with all of their vendors.

Share with end buyers that you and your organization take seriously, the responsibility entrusted to you, for protecting their brand's reputation.

- Make clear that you have an obligation to follow the law and protect their brand, and you both have an obligation to protect the ultimate users of the products.
- Working together to develop a workable distribution plan inclusive of using the right product for the right audience can and will create a memorable, engaging and long lasting program, while at the same time protecting their brand's good name.

### Ask The Customer

Product responsibility is smart business. Asking the right questions can mitigate risks and help to avoid incidents in the future. And, by asking the questions that no one else is asking, you can differentiate yourself from the competition.

Start with the questions that relate directly to key product responsibility issues like the *Consumer Product Safety Improvement Act (CPSIA)* or *California Proposition 65*:

- Who is the intended audience?
- Will or could the items be distributed to children?
- How will the products be distributed?
- Where will the products be distributed?
- What kind of logo do you intend to use?
- Do you plan to distribute all the items at once or keep some for future events?
- Do your preferred products have child-like appeal or playful elements?
- Will the product serve the end buyer's intended purpose or end up in the trash?

### Ask the Supplier

After gathering information from the end buyer it is imperative to share this information with the supplier and ask pertinent questions in order that they are able to help you provide the right product for the intended purpose.

- Do you consider the item to be a children's product? Why or why not?
- What regulations apply? Why or why not?
- Does the product comply with all applicable regulatory requirements?
- How has compliance been determined?
- Request a copy of all related test reports.
- Request a copy of the *General Conformity Certificate (GCC)* or *Children's Product Certificate (CPC)*. See below for more information.
- Was all product made at the same factory?

- Was all product made from the same lot of materials?
- Will the modifications (e.g. imprint inks) you plan to make to the product affect the product's compliance?
- If a children's product, will there be a *tracking label*? What does the tracking label information mean?
- Has anyone in your company completed *Undue Influence Training*?
- Have any chemicals been intentionally added to this product that would trigger *California Proposition 65 warning labels* and how do you manage the application of those labels?
- Do you have a code of conduct and are your factories required to follow it?
- Does each factory have a current *Social Responsibility Audit*? Is it done by a third party? Was what the outcome of the Audit?  
If non-conformances are found, is there a corrective and preventative action initiated? When did you last conduct a social responsibility audit? If not, would you be willing to undergo a Social Audit?
- Do you provide education for your factories on your expectations and corporate social responsibility policies?

### Everyone Is Responsible

Buyers typically rely on distributors for protection and compliance the same way distributors rely on suppliers. This does not mean end buyers can avoid responsibility. Generally, the law holds – and users expect – that everyone in the supply chain has the responsibility to protect the end users (target audience) of the promotional products distributed.

### Online Resources:

**CPSC Guide to Promotional Products:** [www.cpsc.gov/PromotionalProducts/](http://www.cpsc.gov/PromotionalProducts/)

**Children's Product Certificate (CPC):** [www.cpsc.gov/en/Business--Manufacturing/Testing-Certification/Childrens-Product-Certificate-CPC/](http://www.cpsc.gov/en/Business--Manufacturing/Testing-Certification/Childrens-Product-Certificate-CPC/)

**General Conformity Certificate (GCC):** [www.cpsc.gov/en/Business--Manufacturing/Testing-Certification/General-Certificate-of-Conformity-GCC/](http://www.cpsc.gov/en/Business--Manufacturing/Testing-Certification/General-Certificate-of-Conformity-GCC/)

**PPAI Product Responsibility Resources:** [www.ppai.org/corporate-responsibility/product-responsibility/product-responsibility-resources/](http://www.ppai.org/corporate-responsibility/product-responsibility/product-responsibility-resources/)

**PPAI Social Responsibility Resources:** [www.ppai.org/corporate-responsibility/social-responsibility/social-responsibility-resources/](http://www.ppai.org/corporate-responsibility/social-responsibility/social-responsibility-resources/)

**PPAI Product Safety Communication Tool:** [www.ppai.org/media/1841/pr-guide-product-safety-communication-for-dist.pdf](http://www.ppai.org/media/1841/pr-guide-product-safety-communication-for-dist.pdf)

**PPAI TurboTest:** [ppai.org/corporate-responsibility/product-responsibility/solutions/#8104f083-d27d-4788-83f6-8c236b8d9494](http://ppai.org/corporate-responsibility/product-responsibility/solutions/#8104f083-d27d-4788-83f6-8c236b8d9494)

**PPAI Tracking Labels:** [ppai.org/corporate-responsibility/product-responsibility/solutions/#dab9c268-460e-4f7a-bd09-74cb10447608](http://ppai.org/corporate-responsibility/product-responsibility/solutions/#dab9c268-460e-4f7a-bd09-74cb10447608)

**PPAI Product Safety Aware Program:** [ppai.org/members/product-safety-aware/](http://ppai.org/members/product-safety-aware/)

**PPAI Code of Conduct:** [ppai.org/corporate-responsibility/ppai-code-of-conduct](http://ppai.org/corporate-responsibility/ppai-code-of-conduct)

**UL Responsible Sourcing:** [industries.ul.com/responsible-sourcing](http://industries.ul.com/responsible-sourcing)

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