



Australian
Competition &
Consumer
Commission

Product Safety Bulletin

WHAT YOU NEED TO KNOW ABOUT:

Sourcing safe products

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Sourcing products that are safe and comply with regulatory and industry standards is more than good business practice. It can save your business money, manage risk and help protect your brand—and it also means a safer community. Consumers expect to shop on the basis of price and quality without fear of harm from the goods, even for less expensive products.

What you need to know about: Sourcing safe products

Under the Australian Consumer Law, you are responsible for supplying consumer goods that are safe and fit for purpose. This includes goods that are not subject to a [mandatory safety standard](#) or [ban](#), as many goods that cause injury are not subject to individual product specific regulations.

What can I do as a supplier?

To avoid breaking consumer protection laws and to ensure your products are safe, consider your current quality assurance processes so you don't put unsafe products on your shelves.

If your business has long and complex supply chains, you will need to take extra care to ensure your products are safe.

When sourcing products for your business, check that:

- **pre-shipment inspections** are carried out—preferably by one of the many independent service providers that can help you stop sub-standard goods from being shipped to you
- a suitable **inspection protocol** (or checklist) is used by the pre-shipment inspector—if necessary written by you, the retailer, to your specifications
- **the factory has been audited** regularly to ensure that proper controls are in place
- **raw materials** have been tested
- **assembly line processes** are followed and quality checks are performed
- **staff training** is current and adequate.

Following these basic quality assurance and control processes may save your business from unnecessary **costs associated with recalls**, identify quality and compliance issues **before goods are shipped to you**, help manage the risk of damage claims resulting from injuries or destruction of property, and protect your brand and reputation.

Test reports

It's important to request test reports from a manufacturer, wholesaler or agent to an applicable safety standard whenever you purchase goods domestically or from overseas.

However test reports by themselves may not be enough to ensure goods shipped to you are safe and compliant. Pre-shipment inspection service providers can help you prevent costly mistakes by checking that the goods were manufactured to applicable safety standards and to your quality specifications.

Be aware that manufacturers may offer you certificates of tests performed on a 'golden sample' of the product (i.e. a hand-picked or specially made sample). These will tell you little about the quality or safety of the goods you have purchased. It's up to

you, the retailer or wholesaler, to make sure you supply goods that are safe and fit for purpose.

Where possible, commission your own tests from suitably accredited laboratory—most goods can be tested to an Australian Standard, some of which are cited in Australian safety regulations.

For more guidance on product testing, visit the [product testing page](#) on the Product Safety Australia website.

Pre-shipment inspections

Pre-shipment inspections can be very helpful in ensuring the consumer goods you procure are safe and meet safety and compliance requirements. The service is offered by multiple providers in Australia, including many test labs. A pre-shipment inspection can be easily organised for as little as AUD\$100 or so depending on the location of the factory, the size of the consignment, and so on.

If a pre-shipment inspection shows that the products you ordered don't comply with safety standards or your quality requirements, you can usually quickly address this with the manufacturer before the goods are shipped to you.

Some steps you can take are:

- request a pre-shipment inspection to be performed at the factory before the goods are released for shipment
- choose a pre-shipment inspection service provider that offers a reliable and cost-effective service (inspections usually start at a cost of around AUD\$100)
- check that your pre-shipment inspector is trained to carry out tests and measurements for your type of product
- confirm with the service provider that their inspections are carried out in accordance with appropriate mandatory or voluntary requirements
- make sure you can understand the information in the inspection report and clarify anything that seems unclear—photographs of the goods and any defects discovered are of great value
- consider developing a customised inspection protocol that itemises particular points of quality concern or safety for the goods you are purchasing
- confirm with your manufacturer and service provider that any issues raised during the inspection are addressed prior to releasing the goods for shipment.

Other steps

Here are some additional best-practice measures you can take to ensure that the goods you procure are safe, compliant and of acceptable quality:

- developing documented quality assurance and control processes

- performing random audits and testing of stock in distribution centres or stores
- commissioning factory audits or requesting evidence of compliance with ISO 9000 (or equivalent)
- developing and training staff in quality assurance/quality control (QA/QC) processes, applicable mandatory safety standards and the Australian Consumer Law
- engaging the services of professional QA/QC consultants and laboratories. Where products are new to market and there are no pre-existing standards or testing protocols, these specialists can help.

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