



V-TRUST INSIGHTS August 2018

Inspection Insights: Surprising Ways a Supplier Can Cheat Your Inspector

Let us share you a story that recently happened to one of our inspectors with a supplier trying to cheat us and our customer.

This specific story happened in Vietnam few weeks ago. But frankly speaking similar stories also happened in every other country where V-Trust already operates no matter it's in Vietnam, China, Cambodia, India or Bangladesh.

In a word, supplier tried to hide the actual quantity; in that case not even 50% of the production was finished. The way the factory tried to trick the inspector is actually more interesting than the trickery itself (factory sometimes claims that production is finished while our inspector discovers it's not the case after arriving on site).

[MORE](#)



V-Trust Team

Meeting & Sharing

Our area management team in Zhejiang province gathered during one weekend in July, in order to review the engineers' performance, the complaint case sharing and the training on the update of the inspection protocols.



Language Skills

In order to enhance our staff's communication proficiency in multiple languages, V-Trust head office is taking Advanced Business English lectures on a weekly basis.



Will Production Be Shifted Out Of China Under The Consequences Of US-China Trade War?

Experts indicate that the US-China trade spat is likely to trigger consumer price inflation in the US and might force more production to be moved from China to its Asian neighbors.



Your One-Week Visit To A Supplier's Factory - Will You Spend Only A Few Minutes at the Production?

During China fairs we meet dozens of foreign buyers who say that they manage quality control by themselves and usually fly to China in order to visit their pre-selected factory. However is it always the best choice to have your own representatives visit the production and will you actually get a good understanding of the manufacturing process and factory capacities while arranging the visit? What do you need to take into account when planning a trip to China and how to get the most of efficiency out of the planned trip?

China - The World's Largest Industrial Robot Market

China has been the largest industrial robot market for four consecutive years in the world. In 2016, China had a general sales volume of almost 90,000 units – a 27 percent increase compared to 2015 and counting for 30 percent of the global market.



EU Amends Regulation on Cosmetic Products

Follow Us



Quality Control • Supplier Evaluation • Lab Test • Certification



China | India | Vietnam | Bangladesh | Cambodia

Copyright © 2003 - 2018 All rights reserved.

Brazil Regulation on Cellulosic FCMs Came into Force

30 June 2018, Brazil regulation of RDC No. 88, RDC No. 89, and RDC No. 90 on technical requirements for food contact cellulosic materials and containers came into force.

The main contents of the new legislation include: the testing methods and migration limits of cellulosic materials, containers and equipment intended to be in contact with food; cellulosic materials for cooking and hot filtration; cellulosic materials, containers and equipment intended to be in contact with food during oven heating.

The regulations list the substances that may be used in the manufacture of cellulosic materials in contact with food, as well as restrictions on materials, containers and equipment treated with paraffin, waxes, and mineral oils and pigments. And they also include the permitted migration levels for other substances that may constitute part of cellulosic containers and packaging, including those for various phthalates, cadmium, lead, mercury and antimony.

EU Amends Regulation on Cosmetic Products

21 June 2018, the Official Journal of European Union released a directive 2018/885, amending the Annex VI of the regulation (EC) 1223/2009 on cosmetics products. This directive shall be binding in its entirety and directly applicable in all Member States and enter into force on the twentieth day following that of its publication in the Official Journal of the European Union (i.e. 11 July 2018).

The amendment will include the Annex VI to Regulation (EC) No 1223/2009, Entry 23 is replaced by another entry and Entry 23a is inserted.

As multiple fairs are coming soon there might be a question – how to do proper preparations and is it still necessary to attend exhibitions today, in the golden age of Internet?

Or is it efficient to find the right supplier online and establish a secure long-term cooperation with high quality of products and high-quality partnership?

As an accredited inspection company with 15+ years of operation we have collected experience, practical knowledge and unique tips and will be delivering SHORT practical webinars this September for the following topics:

Finding a supplier VS Finding the right supplier

• September 6th – 20:00 (Beijing Time) - Sign up

Ensuring security of your imports and payment

• September 11th – 18:30 (Beijing Time) - Sign up

Ensuring Trust and Guarantees at each step of dealing with a supplier

• September 18th – 18:30 (Beijing Time) - Sign up

Expanding Sourcing Destinations

• September 25th – 18:30 (Beijing Time) - Sign up



GLOBAL SOURCING

Your One-Week Visit To A Supplier's Factory - Will You Spend Only A Few Minutes at the Production?

During China fairs we meet dozens of foreign buyers who say that they manage quality control by themselves and usually fly to China in order to visit their pre-selected factory. However is it always the best choice to have your own representatives visit the production and will you actually get a good understanding of the manufacturing process and factory capacities while arranging the visit? What do you need to take into account when planning a trip to China and how to get the most of efficiency out of the planned trip?

Unfortunately, companies might not always realize how a typical one-week trip to China might look like when planning the visit to a factory.

Monday. You make your way out of the airport of a Chinese megacity, then take a 1-2 hour cab ride to a five-star hotel.

Tuesday. You stay in the hotel to rest after 15+ hours of flying (not counting stopovers, of course) and try to get over the jetlag, go out and explore a part of the city, and reply to the emails missed during the long flight.

Wednesday. Check out of the hotel around 11 AM. The factory staff picks you up and drives you to their town where the factory is located, usually 1-3 hours from a major city. On arrival they check you into the five-star hotel closest to their factory in order to bring you to their production premises the following day. After that, you'll have the mandatory dinner with your hosts, which can be a simple (fairly quick) event, or it can last for several hours with endless drinks if you're not careful.

Thursday. Your hosts pick you up from the hotel around 9-10 AM and bring you to their factory, usually a 1-hour drive away from the hotel. You arrive around 10-11 AM and spend at least an hour having general introductions in the meeting room, then have a rapid tour around the factory before the lunch break at 12 AM. Your Chinese hosts will take you to the best restaurant in town, which could be up to 1 hour away from the factory, and order the best delicacies of the local cuisine. The lunch will be abundant in food, drinks, and very interesting conversation, which could last until 3 PM easily. After driving back to the factory, you will have one hour for a quick tour around the workshop as usually factories close at 5 PM. It is good to be focused and use this hour as effectively as possible, however it is still a challenge after the massive food extravaganza and the jetlag, combined with tiredness of constantly driving around and making small talk all the while. Your hosts certainly see the fatigue, so at 5 PM they organize a car to take you back to your hotel.

Friday. It's your last day in China, so you want to go sightseeing and shopping.

Saturday. Take a ride back to the airport, about 3-5 hours from the town hotel, and fly back home with scarce findings from the little time you spent at the production. In many cases, this is the outline of a typical trip to China when buyers intend to check several suppliers and conduct a thorough verification of each factory.

It is usually a good alternative to save not only time but plenty of efforts and costs by hiring a third-party professional company which will conduct a full factory audit within one day and send you the report the following day. The report will give you a clear insight of the following points:

- Factory profile,
- Organization structure,
- Production Process
- Production Capacity
- Facilities and machinery
- Internal Quality control system
- R&D
- Any special requirements you would want to pay special attention to during the factory visit

However, the buyers who insist on visiting the supplier by themselves are always recommended to keep in mind telling the factory in advance that you need to have a few full days at the production site. You might say that there is no need for a five-star hotel but to save time you prefer to stay as close to the factory as possible. You may bring your own lunch or ask the factory to order it for you so that there is a chance to talk to workers during the meal. Maybe ask in advance what they're serving at the factory cafeteria. You might like it!

In general, be realistic about jet lag, make accurate calculations and a fixed schedule before planning your trip, and compare all alternatives to find the most time and cost-effective solution for choosing the right supplier.



Daria Mishchuk

Over 5 year experience in International Trade and Quality Control industry
5 years at V-Trust Inspection Service
Fluent in Russian, English and Spanish

[f | Share](#) [in | Share](#)

Follow Us | [f](#) [in](#) [YouTube](#)

Surprising Ways a Supplier Can Cheat Your Inspector

Before any inspection the dedicated V-Trust account manager is always in contact with the supplier not only to double confirm the inspection location but also to follow up the production, quantities, equipment available on-site, answer to any of their questions, etc. In this case, supplier double confirmed inspection day and quantities available on the day of inspection (100%) with our account manager.

The day before, as always, our inspector also contacted this factory to introduce himself, inform them of his arrival time and let them know if there is anything to be aware of. Again, supplier confirmed that production was finished and ready for tomorrow inspection.

So what could go wrong with the production status, after getting 2 confirmations both by the account manager and the inspectors?

Well, written or oral confirmation by supplier does not mean much. Only real inspection on-site can help us (and our customer) to know about the real situation and this time, the supplier tried everything for us not to discover it!

Everything going wrong with a surprising trickery when actually being on site

When arriving, one of the first steps of any inspection performed by V-Trust is to check actual quantities and compare with information shared by customer.

Factory showed the warehouse and inspector started counting. What an easy job? Just need to count the number of cartons per line, multiply by the number of columns and finally multiply by the number of product per cartons. Well, not exactly and not only this.

V-Trust inspector also needs to open some cartons (to verify if the quantity of products per carton is correct), touch cartons (to feel if they are not empty), randomly check if all cartons are of the same type and at last but not least (especially in this case), check if the stacking place is actually filled with cartons, with no “empty space” in the middle.

This is exactly what happened in our case, when moving away cartons our inspector discovered a massive empty space in the middle, after 4 rows of carton. A place big enough to move inside and even filled with some cartons from other customers.

It appeared that only 45% of the production was finished. Factory had no other choice than to admit. When roughly counting cartons by multiplying lines and columns, of course everything appeared in order with 100% of quantities produced. An on-site inspection with a well-trained inspector may be the only way to detect such trickery.

Be careful, you are warned!

Such situation does not only happen in Vietnam. Similar situations with more or less sophisticated tricks happened on a regular basis in every country we operate besides Vietnam (China, Cambodia, India and Bangladesh). V-Trust inspectors know about these possible tricks and are trained about new innovative trick factories could think of.

At the end of the day, customer required a re-inspection of the goods to take place few days later (paid by the factory this time). If factory had been more honest about the production we could have probably re-scheduled the inspection, factory would have avoided the fees of a re-inspection and our customer would have more trust in his supplier.



Empty space in the middle, as discovered by V-Trust inspector.



Mathieu Reignard

5 year experience in Quality Control industry
3 years working at V-Trust Inspection Service
Fluent in French, English and Spanish

f | Share

in | Share



MANUFACTURING

Will Production Be Shifted Out Of China Under The Consequences Of US-China Trade War?

Experts indicate that the US-China trade spat is likely to trigger consumer price inflation in the US and might force more production to be moved from China to its Asian neighbors.

However taking into account a vast domestic market and demand growth the production is unlikely to be drastically reduced while many manufacturers also shift exports to Europe and other regions. It is possible for industries such as textiles and soft goods to move sourcing out of China, but for more complex products there is not a lot of spare capacity in alternative production centers.

It is stated that if a 25 per cent tariff is imposed on some categories of China-made consumer goods, consumer price inflation pressure would be possible due to capacity limits in Asia, forcing US consumers, retailers and their suppliers to accept some of the cost burden.

China - The World's Largest Industrial Robot Market

China has been the largest industrial robot market for four consecutive years in the world. In 2016, China had a general sales volume of almost 90,000 units – a 27 percent increase compared to 2015 and counting for 30 percent of the global market.

The International Federation of Robotics says that China has had the most industrial robots in operation globally since 2016.

Under the strategy of Made in China 2025 (MIC 2025) industrial policy the robotic industry, along with artificial intelligence and automation, is identified as a strategically important sector. To attain these strategic goals, the government supports companies that apply robotics-enabled automation in industries, including automobile manufacturing, electronics, household electrical appliances, and logistics, while offering robot manufacturers and automation businesses subsidies, low-interest loans, tax relief, and land rental incentives.

Follow Us

