3.5 Example

Obtaining information from suppliers

This example illustrates the approach of how supplier’s information could be requested and how it benefits the user of raw materials. It is not a blueprint for supplier communication. It is important to keep in mind to always implement tools according to your specific situation.

A good documentation can make a difference

The company ‘Tub Joy’ developed a new line of bath toys and started selecting raw materials to produce a test-batch. Tub Joy requested an offer from two competing producers of polypropylene (PP) polymer granules. The specifications for the raw material were sent to both producers and either a safety data sheet or an equivalent technical documentation should be provided with the offer. Both producers had a range of products that fitted the required technical properties. Producer A provided all requested accompanying documents, while Producer B lacked knowledge about how to compile high-quality safety data sheets and sent a standard material description without information on chemical composition of the PP polymer granules. The company Tub Joy received the offers which showed that both products fulfil the technical demands. Both products were available at similar prices. Finally, Producer A was selected because he provided the better documentation and precisely responded to the requests on chemicals.

Polymer producers make chemical products. For these, documentation indicating the content of chemicals of concern and their potential hazards is crucial. If that information is not provided, companies may risk their reputation and lose the trust of their customers, as this can be understood as an indication that the company is not a reliable business partner.

Getting information can be cumbersome

The company ‘Car games’ produces toy cars and aims to start exporting its toys to the EU. The company’s team of managers assessed which legal requirements must be fulfilled, identified an importing company and planned the necessary steps. To ensure compliance with the obligations, they consolidated information on the content of chemicals of concern in toys by completing and updating their chemicals inventory. To everyone’s surprise, there were considerable information gaps about the content of input materials, creating uncertainties on whether restricted substances are included in the toy cars.

The marketing team of ‘Car games’ decided to ask their suppliers for the necessary chemicals information. They sent a letter with a specific request about a) a list of chemical substances including CAS numbers and b) a list of GHS hazard statements that chemicals in the input material must not have.
Receiving answers to the request turned out to be much more challenging than it seemed initially. Some suppliers of polymer compounds and chemicals used (glues and lacquers) promptly sent a safety data sheet, from which the chemical composition could be derived. Others provided information only after several requests and with great delay.

The most challenging task was to get information from the producers of parts that ‘Car games’ assembled in their factory. Some suppliers answered they had no information on the content of chemicals in their parts and could therefore not send a declaration of conformity (DoC). The supplier of the wheels provided a laboratory test report which was 10 years old, and the wheels contained a restricted phthalate back then. The supplier could not tell if this phthalate was still used in the current product.

All in all, it took the company ‘Car games’ more than a year to gather the necessary information to ensure and document that EU legislation can be complied with. Due to this, the market entry had to be delayed and revenues that had already been assumed as secured could not be generated.

After this experience, the company implemented a purchasing routine and a chemicals inventory, which they updated regularly.