COUNTERFEIT PRODUCT WARNING

The proliferation in the global marketplace of counterfeit electrical components (defined as a vendor, supplier, distributor or manufacturer knowingly misrepresenting materials, performance, characteristics, or certifications) has been on the rise in recent years. Companies doing business in emerging economies are particularly vulnerable, partly because local enforcement of anti-counterfeiting laws is poor, but counterfeiting is a worldwide problem. The adage, "Buyer Beware" has never been more relevant.

Impact of Counterfeiting:

- Increased social costs, misinformed/misled/misguided public.
- Missed commercial and municipal tax revenue.
- Job loss.
- Voided product warranties, product failure, recall and/or replacement.
- Extreme financial liability (possible bankruptcy).
- Potential consumer injury and/or death.
- Crippling litigation.
- Loss of credibility, tarnished reputation, customer dissatisfaction.
- Unknown number of years to flush counterfeit products from supply chain.

We are committed to combat and eliminate counterfeiting at any level, and to unmask its perpetrators so they can be bought to justice.

Typical Characteristics of Counterfeiters:

- Unusually low price compared to other suppliers or near-immediate availability.
- Unusual claims of product performance versus that of the authentic manufacturer.
- Abnormally favorable sales conditions (e.g. generous payment terms, price dumping, etc.).
- Irregular use of language/grammar, odd layout and fonts, inaccurate part numbers or date codes or agency information, dubious certification marks.
- Discrepant or suspicious shipping documents.
- Mis-match to originally-approved prototypes.
- Physical alterations to shipped products (e.g. sanding, shaving, label replacement, wire splicing, etc.).

What Can You Do to Avoid Risk of Counterfeit Components:

- Purchase directly from manufacturer or authorized agent.
- Obtain complete product and material traceability documentation.
- Improve inspection protocol to require verification of compliance claims.

When Counterfeit Products are Found:

- Inform the "real" supplier and relevant safety agencies immediately.
- Determine product and inventory risk/exposure.
- Consider issuing a proactive warning to customers and/or a voluntary product inspection or recall.

Sources:

- http://www.designchainassociates.com/counterfeit.html
- http://www.avcom-dmsms.com/resources_docs/Avoiding_Counterfeit_Electronic_Components.pdf
- http://www.ors-labs.com/pdf/MASH07CounterfeitDevice.pdf
- http://www.iec.ch/about/brochures/pdf/conformity_assessment/IEC_Counterfeiting_brochure_LR.pdf