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DON'T RUN THE RISK?

A survey by Charcroft Electronics asked buyers to share their opinions on the risk of receiving counterfeit goods and the effectiveness of anti-counterfeiting measures

How familiar are you with ACTA (Anti-Counterfeiting Trade Agreement)?			Percent
1	Very familiar		13.92%
2	Heard of but not very familiar		53.16%
3	Not heard of		32.91%

Over one in three buyers have not heard of ACTA

Who should be responsible for detecting counterfeit components within the supply chain?			Percent
1	Component manufacturers		29.63%
2	Distributors/suppliers		49.38%
3	OEMs/CEMs		19.75%
4	Government agencies (e.g. border control/police)		13.58%
5	All of the above		50.62%

Buyers attribute responsibility for anti-counterfeiting measures

CofC, rather than the distributor automatically shipping the CofC with each delivery.

Taking responsibility

One of the most crucial questions was about where the responsibility for detecting counterfeit parts should lie within the supply chain. Exactly half of the respondents said that responsibility should be shared throughout the supply chain from the component manufacturer, to the distributors and suppliers, OEMs and contract electronics manufacturers (CEMs), as well as government agencies. When attributing responsibility to specific sections of the supply chain however, 49 per cent thought that anti-counterfeiting measures were the responsibility of distributors and suppliers, compared to just 20 per cent who placed the responsibility on OEMs and CEMs.

It was clear that government anti-counterfeiting initiatives have made little impact with just 13 per cent saying that government agencies should be responsible for anti-counterfeiting measures. This low profile is reinforced by the fact that just 14 per cent of respondents were very familiar with the global anti-counterfeiting trade agreement (ACTA). A further 54 per cent had heard of it, but were not very familiar with the details, and 33 per cent had not heard of ACTA.

Overall, the survey suggests that buyers are aware of the risks of counterfeiting and are placing their trust in the franchised supply chain, or in their own in-house testing procedures when sourcing components from the grey market.

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With counterfeiting gaining a higher profile across many industries, the way in which electronics original equipment manufacturers (OEMs) are managing the risks has been under increased scrutiny. A recent survey, commissioned by Charcroft Electronics, asked buyers to share their opinions on the risk of receiving counterfeit goods and the effectiveness of anti-counterfeiting measures within the supply chain.

Safe suppliers

The responses to the survey showed that the perceived level of risk was highest when buying through non-franchised channels, with 90 per cent of respondents stating that they were very, or quite, concerned about counterfeits when buying products from brokers. For hybrid distributors, with a mix of franchised and non-franchised lines, this figure dropped to 62 per cent, whereas just 27 per cent of respondents had similar concerns about buying from franchised distributors.

Despite the difference in the perceived levels of risk, only 60 per cent of the buyers who responded stated that they

always buy from franchised distributors, while 40 per cent said they sometimes sourced from brokers.

Detecting fakes

The respondents were also asked about the effectiveness of different methods used to detect counterfeit components. The processes which were considered to be useful by the highest percentage of respondents were in-house testing by the OEM and receiving the component manufacturer's certificate of conformity (CofC). Both were rated as very useful by 66 per cent of respondents. In comparison, testing by a distributor and visual goods-in inspections were considered very useful by 58 per cent and 35 per cent of respondents respectively.

Despite the fact that visual inspection received the lowest percentage, almost 96 per cent of respondents said that it was currently used in their company. A similarly high percentage of 95 per cent already use the component manufacturer's CofC as an anti-counterfeiting measure, however, just over half said they had to request the