

by Schneider Electric

Small price **BIG RISK**

Do the products you use comply?

These days there are many new ways to buy electrical products. In addition, there are many more brands selling similar electrical products. But are the new, cheap products really the same? Or does the old saying 'you get what you pay for' still hold true?



As Australia's No.1 electrical brand, Clipsal's greatest concern is the quality and safety of electrical products installed into people's homes and workplaces.

In addition to well known, reputable wholesalers there are now alternate ways of purchasing products. Whilst buying these cheap products may seem like a bargain at the time, they could pose serious risks to you, your business and most importantly, your customers.

Product risks

There are many reasons why these products pose risks to electrical contractors. The products are often made:

- as quickly and cheaply as possible, without regard for quality or longevity
- from inferior components, or they are missing components altogether
- with substandard designs that stress products beyond the limits of the materials.

The companies who produce them may:

- show little regard for complying with specified ratings or safety requirements, as required by Australian Electrical Safety Standards
- make direct copies of Clipsal or other reputable manufacturers' products
- breach copyright, design, patent or trademark laws
- have incorrect or missing certification marks
- lack formal quality control systems.

If those products fail there's no option of going back through your wholesaler or calling your local Clipsal Sales Rep to get them replaced. Unlike Clipsal, the suppliers of these products rarely offer any service, warranties or after sales support networks.

What do you risk?

Risks from purchasing and/or installing products that don't comply with Australian Electrical Safety Standards can include:

- severe financial penalties
- criminal charges and jail terms
- loss of your electrical licence
- invalidation of your insurance cover.

If you install goods counterfeiting a trademarked design or patent you will be infringing intellectual property rights. This could result in:

- legal action, including a maximum jail sentence of up to two years
- and/or a fine of up to \$55,000.

There are other things you could lose, including:

- your hard-earned reputation
- valuable customers
- time and money on product replacements
- your profit.

So while there may be short term gains, inferior products could potentially cost you a great deal more.

How do I avoid the risks?

There are two key things to remember when buying your electrical products:

- Always buy through a wholesaler you trust.
- Always buy well known brands from manufacturers that have a reputation for genuine, quality products backed by warranties.





Who takes responsibility?

The following checklist clearly indicates whether you are placing yourself and/or your company at risk:

Physical Purchases	
Trusted wholesaler	1
Reputable manufacturer	1
Wholesaler or distributor of products that don't comply	×
Manufacturer of products that don't comply	x
Online Purchases	
Trusted wholesaler	1
Domestic distributor of products that don't comply	x
Overseas distributor	X

- Under Australian Law, whoever initially imports the product is legally recognised as the distributor of the product. They are also liable, should a product fail or cause harm.
- Whilst some distributors are local, they may not be reputable and they may not take responsibility should products fail.

This diagram only intends to briefly present the main exposure to legal risks but does not constitute legal advice and may vary depending on circumstances.

4 clipsal.com/DontRisklt



Trusted wholesalers will support product failures under warranty

Reputable manufacturers will support product failures under warranty

YOU or your company are liable for all damages caused by a product fault if the supplier cannot be traced

YOU or your company are liable for all damages caused by a product fault if the supplier cannot be traced

Trusted wholesalers will support product failures under warranty

YOU or your company are liable for all damages caused by a product fault if the supplier cannot be traced

YOU or your company are liable for all damages caused by a product fault

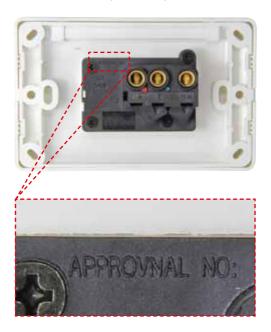
- In all instances the electrical contractor is liable for any harm to the customer when it is the result of a faulty installation.
- In order to ensure you aren't responsible for any damages, remember that when you buy quality brands through trusted wholesalers and manufacturers, they will take responsibility.





Key ways to identify products that don't comply:

- Don't have certification marks.
- Difficult to insert plugs into socket outlets.
- Difficult to activate switches.
- Breakages in product upon removal from packaging.
- · Poor installation advice.
- Damaged when installing product.
- Incorrect spelling of words on product, packaging or instructions (see below).



Who do you trust?

Dependable wholesalers

Well known, dependable wholesalers provide you with much more than just convenient access to electrical products. They assist with product knowledge, new products, after sales service and returns. They even help cash flow by offering credit accounts.

Reputable manufacturers

Reputable manufacturers, like Clipsal, offer so much more. As part of our offer we:

- continuously develop new products by spending millions on R&D and engineering
- employ locally
- manufacture many products in Australia, including 400 million components per year
- provide support via sales, warranties and after sales service networks
- offer training and development opportunities to further business and product knowledge
- invest in the community, from the local sports team to the Clipsal 500 V8 car race, to partnering with the Julian Burton Burns Trust.

Clipsal are here for the long term to help build your business and to support the electrical industry.

If you would like to know more about how to identify and avoid the risks, visit clipsal.com/DontRiskIt

For more information on the Australian Standards visit the Standards Australia website: www.standards.org.au

For more information on product compliance visit the Electrical Regulatory Authorities Council website: www.erac.gov.au



For more on how to avoid the risks, visit clipsal.com/DontRiskIt



Schneider Electric (Australia) Pty Ltd

33-37 Port Wakefield Road, Gepps Cross South Australia 5094

PO Box 132, Enfield Plaza South Australia 5085

clipsal.com

Website clipsal.com Contact us clipsal.com/feedback

National Customer Care Enquiries: 1300 2025 25

Whilst every effort is made to ensure the information in this brochure is correct, no warranty is given in respect thereof and Schneider Electric (Australia) Pty Ltd shall not be liable for any error therein.

© 2011 Schneider Electric. All Rights Reserved.

Trademarks are owned by Schneider Electric Industries SAS or its affiliated companies.