



Electronic Supply Chain Solutions, Inc.
3023 Eastland Blvd., Bldg. H-109
Clearwater, FL 33761
(727) 723-8255

10 Steps to Mitigate Counterfeit Risk

1. Set minimum standards for your distributors. See our "[Distributor Qualifications](#)" for a list of criteria ESCS believes manufacturers should require their distributors to meet.
2. Set an approval process for new distributors that actively confirms they meet your minimum requirements. Make a site visit, and annually check that required quality certifications are current. Reserve the right to perform surprise site inspections, with minimal notice.
3. Track your distributors' actual quality and delivery performance. Establish performance standards and communicate them to your distributors. Issue periodic reports on their achievement.
4. Beware of quotes that are substantially below expected market pricing. If the price is too good to be true, it probably is.
5. Set purchase order conditions requiring original manufacturer's Certificates of Compliance along with distributor's declaration that the product was sourced directly from either the original component manufacturer or an authorized distributor. If either of these cannot be provided, specify what authenticity and or functionality testing you require to be performed in advance by a third party test facility.
6. On receipt of components, examine packaging for proper company and product information, and for proper electro-static protection. Examine paperwork to confirm actual lot and date codes are consistent with documentation for the product delivered. Was the manufacturer QPL'd to make the device for the date code presented?
7. Establish in-coming inspection standards appropriate for the component's intended application. High reliability parts for aerospace or military applications may require full functionality tests, which may be satisfied by 3rd party testing in advance. A visual inspection in accordance with a specified standard should be required on all deliveries.
8. Maintain membership in GIDEP and ERAI for information on parts that have been counterfeited. Notify both of any counterfeit parts received.
9. Flow all of the above requirements down to any contract manufacturers.
10. Lastly, remember: ***"If it quacks like a duck, it probably is a duck."***

Remain vigilant!

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