Supply chain quality assurance services: Addressing the disruptions caused by the coronavirus pandemic

**Coronavirus pandemic affecting the global product supply chain**
The worldwide coronavirus pandemic has significantly impacted component production and the product supply chain, with factories in Asia having to pause production and logistics operations being disrupted. For component buyers, wholesalers, installers, project developers and other stakeholders in end-markets, this has resulted in a large degree of uncertainty in planning how these products will be shipped, when they will arrive, and determining if these products were built according to the agreed bill of materials (BOM) and fulfill the desired quality level.

The challenges being faced by end-customers can be classified into three areas:
1. Impact of the disruptions on the supply and logistics chain
2. Production capability and quality
3. Enforcement of existing supply contracts or renegotiation of supply contracts

With these in view, the partners VDE, LPA-GGV and DHL have formed a cooperation to address the broad range of needs and challenges being faced by end-customers and other stakeholders in the market.

**VDE Group – the partner for manufacturer evaluation and quality assurance**
Featuring an experienced team of technical experts and qualified inspectors in the main Asian manufacturing hubs, VDE can support clients throughout their procurement process. Our goal is to mitigate risks that could arise from the impact of the coronavirus pandemic – such as swapping out materials or components with inferior quality replacements due to unavailability or cost concerns, or delays in delivery due to failure to uphold the production schedule. In the end, we also help ensure the final product is of good quality and demonstrates the expected level of performance and reliability.

**Supporting services of the cooperation partners**
To find out more about the related supporting services being offered by DHL Group (logistics evaluation and solutions), LPA-GGV (legal advice), and VDE (production inspection and testing services), please visit our website: https://www.vde.com/supply-chain-support
VDE’s supporting services include the following:

Selecting a supplier:
- Evaluation to determine if manufacturer is able to produce the desired quantity of goods within the specified range of time based on available capacity
- Pre-check of supplier quality documentation to ensure that products meet any requirements set by the buyer, are certified to relevant standards and are following the agreed bill of materials (BOM)
- Pre-production factory audits to evaluate that manufacturers have quality measures in place and can produce according to these measures

During production in the factory:
- Full-time or part-time (unannounced shifts) production monitoring to verify incoming quality control for materials, in-process production parameters and quality control
- Supervision to ensure that production output is following the agreed schedule, and sending notifications to the buyer in case of any disruptions
- Pre-shipment inspections – witnessing of module testing in the factory, witnessing of packaging and supervision of container loading
- Testing of samples at an independent laboratory

VDE is pleased to support our clients with pre-defined inspection and testing criteria based on our established experience and industry best practices. In addition, we offer our clients the flexibility to define their own individual inspection and testing criteria.

Actively guiding clients through every step of the process
VDE provides value-added guidance to our clients throughout the entire project. This includes, for example, hosting and moderating web calls between the client and the supplier to address issues found during production and reach a satisfactory solution.

About VDE
VDE, one of the largest technology organizations in Europe, has been regarded as a synonym for innovation and technological progress for over 125 years. VDE is the only organization in the world that combines science, standardization, testing, certification, and application consulting under one umbrella. The VDE mark has been synonymous with the highest safety standards and consumer protection for 100 years. Our passion is the advancement of technology, the next generation of engineers and technologists, and lifelong learning and career development “on the job”. Within the VDE network, 2,000 employees in over 60 locations worldwide, more than 100,000 honorary experts, and around 1,500 companies are dedicated to ensuring a future worth living: networked, digital, electrical. We shape the e-dialistic future.

The headquarters of the VDE (Association for Electrical, Electronic & Information Technologies) is in Frankfurt am Main. www.vde.com

Expertise in quality assurance
Within the International Electrotechnical Commission (IEC), VDE has been setting norms and standards for technologies and safety for decades. The VDE mark is regarded worldwide as a symbol for neutrality and the highest quality and safety standards.

Over the last decades, VDE, together with all stakeholders from various industries, has developed additional quality criteria that go far beyond international norms and standards, which support numerous banks, insurance companies and the industry in their risk assessment.

We are committed to the highest level of corporate and social responsibility and the creation of mutual trust that connects different industries. In this context, we work with our partners and customers to develop proposals for solutions, especially in difficult times.