



CSA INTERNATIONAL

WHITE PAPER

Improving Service in the Testing and Certification Industry:

A Business Imperative Whose Time Has Come

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The testing and certification industry today faces an urgent challenge from its customers: make the product approval process more convenient and less time consuming, enabling manufacturers to get new and redesigned products to market faster.

In a business environment characterized by continually shrinking time-to-market windows, today's manufacturers face increasing pressure to streamline their product development and manufacturing processes to capitalize on early opportunities in growth market segments. According to the *Industry Week 2002 Value-Chain Survey*, time-to-market performance was cited as a competitive advantage by more than 54% of respondents who reported a better than 90% product introduction success rate.

The competitive advantages of being first—or at least early—to market include the ability to capture greater market share, establish stronger brand recognition, command premium prices early in the product lifecycle, and enjoy a longer overall lifecycle. Individually and in aggregate, these advantages can result in greater overall profits for manufacturers.

With so much riding on a manufacturer's ability to take a product from concept, to design, to production line, to store shelves in as short a time as possible, anything that prevents a smooth and rapid transition from one step to the next is an unwelcome—and often costly—obstacle. While modern methods have given manufacturers greater control of product development and production timetables, factors outside the manufacturers' control also affect speed to market. One of those factors is third party testing and certification.

Factors affecting service levels

A manufacturer's frustration with the service levels provided by third party testing and certification organizations can be the result of both real and perceived factors. One of the greatest sources of frustration for manufacturers is the sense that testing organizations are not responsive to their needs. Whether caused by inadequate communication, failure to meet agreed-upon delivery expectations, or simply difficulty reaching the testing laboratory's project engineer, perceived lack of responsiveness can tarnish an otherwise satisfactory and mutually beneficial business relationship.

Taking on too many projects can overtax a testing and certification organization's physical and human resources. Although the temptation to maximize output typically overwhelms smaller laboratories first, even larger organizations aren't always immune to this situation. When testing capacities are stretched to the limit, service levels may suffer. Product manufacturers should understand if capacity issues will affect the ability of a particular laboratory to complete their projects on time. If capacity is an issue, alternative testing and certification vendors should be

considered. Establishing relationships with two or more laboratories can provide manufacturers with the flexibility to assign projects to the laboratory best able to meet timing and other expectations.

If a testing and certification organization is unfamiliar with the standards and applicable testing methods relating to a specific product, this can also have negative consequences for service delivery. Manufacturers should always inquire about a lab's experience to avoid unnecessary delays in the product testing and certification process.

Competitive pressures spur increased emphasis on customer service

Industry surveys of product manufacturers have shown that testing laboratories are now selected not only on the basis of their technical capabilities and accreditation, but on the levels of service they provide. As other service-oriented industries, the quickest route to differentiation for accredited testing laboratories with similar expertise and standards knowledge is by providing a higher level of customer satisfaction than the closest competitors. When labs compete to provide improved customer service, manufacturers are the ultimate winners.

Customer service initiatives aimed at enhancing customer satisfaction are currently underway at the major North American labs. Although the specifics vary from organization to organization, the different initiatives seek to address many common customer service issues. In the words of CSA International Vice President Randall W. Luecke, "Service and timeliness are the 'deal makers' when manufacturers choose from among equally qualified certification and testing organizations. Advancements in technology and an increasingly global economy have amplified both consumer requirements and expectations. To meet these challenges, we are committed to making the testing and certification process faster and more efficient, enabling us to maintain the highest customer service levels possible without compromising quality."

For example, the customer service initiative implemented recently by CSA International focuses on several critical areas in which customer satisfaction can be improved. The initiative has several components, and encompasses the entire testing and certification cycle—from proposal and quotation, through project initiation, product testing, reporting, certification, and follow-up inspections at the manufacturing facility.

Central to CSA International's efforts is the goal of streamlining its operations. According to Luecke, CSA International is streamlining operations by improving channels of communication between manufacturers and the CSA personnel responsible for their certification projects, reducing project paperwork, and allowing CSA technical staff to focus more directly on providing a higher level of personal service to customers. These changes are expected to improve the efficiency of CSA International's internal processes, which will allow the organization to significantly reduce the time required to issue certification reports, while maintaining the integrity and rigor of product testing and certification.

New systems and processes currently under development by CSA International include:

- A Client Services Center that will provide fast and easy customer access to information about current or prospective testing and certification projects, as well as administrative questions on billing, invoicing, testing services, etc.
- Online self-service capabilities that will make it easier for customers to obtain service information, request project quotes, initiate projects, check project status, and review accounting records.
- New customer relationship data systems which will arm CSA's customer-facing staff with real-time access to customer information and the tracking of individual projects.
- A new document management system that will improve access to information, enable more timely and simultaneous updates, allow multiple parties to collaborate on documents, and speed issuance of certification reports.
- Investments in its network of North American laboratories to provide more convenient local or regional access to testing capabilities and expertise.
- Expansion of testing capabilities to include fuel cell systems and testing of gas water heaters in the presence of flammable vapors.

According to Luecke, CSA International has learned from its customers that access to testing and certification project engineers is vital to meeting service expectations. "By improving internal information systems and staffing a customer care center, we enable our engineers to devote more attention to helping customers, while ensuring that those customers have continuous access to information which can help keep their projects moving forward without delay," he explained.

[Websites Offer Stakeholders Faster Access to Information](#)

Providing access to information is an important component of customer service. The emergence of web-based solutions for information delivery has made it significantly easier for manufacturers, regulators, retailers, consumers, and other stakeholders to access the information they need from testing and certification organizations. Manufacturers want access not only to helpful technical and project status information, but also to electronic records of their own products' reports and certificates of compliance, allowing them to facilitate product updates and sharing on required information. Many of the major testing and certification organizations' websites now offer downloadable literature archives, educational and technical standards information online databases of certified products, and information about product recalls. As online technology advances, web-based information sharing will become an even more valuable tool for enhancing service levels.

Addressing Other Issues Critical to Manufacturers

“Testing and certification organizations recognize that they are sometimes viewed by their customers as impeding speed to market rather than facilitating it,” says Luecke. “This perception runs counter to our organization’s role as a provider of services that enable business to efficiently embrace and manage change and competition in the manufacturing environment.” Several positive and direct actions are currently underway in the testing and certification industry to change the perception—and the reality—that processes must be improved. Major issues that are being addressed on behalf of testing and certification customers include:

Standards Harmonization. According to Luecke, testing laboratory customers want standards that enable, rather than impede, trade across national borders. The leading standards organizations are working with various parties to ensure that standards are harmonized wherever possible.

Component Acceptance. Luecke noted that manufacturers need the flexibility to choose from among all appropriately certified components when designing and manufacturing their products. Because accredited testing laboratories test products and components to the same applicable standards, the different agencies must be willing to accept qualified components that have been tested and certified by another accredited agency.

To help promote industry-wide acceptance of this concept, CSA International initiated and hosted the first North American Electrical Component Forum on December 3, 2002, in Washington D.C. The purpose of the Forum was to provide a platform for manufacturers and other industry stakeholders to discuss the certification and testing industry’s current practices regarding accepting electrical components already certified by other agencies. Presentations included best practices of component acceptance from European markets, the Information Technology industry and certification agencies.

Over fifty global manufacturers, certification and testing agencies and industry associations were present. In addition to meeting facilitator CSA International, attendees included Information Technology Industry (ITI), Intertek Testing Services (ITS), Underwriters Laboratories (UL), the National Electrical Manufacturers Association (NEMA), Electro-Federation Canada, Omron, IBM, Invensys, Rockwell Industries, and Schneider Electric. Many participants supported CSA’s approach to mutual component acceptance and agreed that the model that CSA endorsed should be replicated for the electrical industry. It is a model that puts customers first. Participants embraced CSA’s call for a change to current component acceptance practices.

As a demonstration of its commitment to industrywide cooperation, Luecke pointed out that CSA International helps manufacturers of finished products minimize or eliminate additional testing in the end-use product by accepting components certified to appropriate standards by other accredited certification bodies in the U.S.A. and Canada with minimal or no additional testing and inspections. “When a certified component is part of a finished product being tested and certified by CSA, the component most often does not have to be re-certified,” he stated.

[A Single North American Component Mark?](#)

Taking the concept of component acceptance even further, CSA has proposed a single North American component mark. CSA Group President & CEO Rob Griffin presented a single North American component mark proposal at the Council for Harmonization of the Electrotechnical Standards of the Nations of America's (CANENA) Council held in Merida, Mexico in February 2003. Founded in 1992, the goal of CANENA is to "Foster the harmonization of electrotechnical product standards, conformity assessment test requirements, and electrical codes between all democracies of the Western Hemisphere."

According to Griffin, "CSA is committed to achieving a solution on behalf of its customers. They are frustrated at the extra cost and time required to test components already certified by accredited organizations. This double-testing done by other certification organizations creates unnecessary roadblocks for an open and competitive marketplace."

Although not all of the major North American testing and certification organizations currently agree on the value of adopting a single mark, the concept has been greeted with enthusiasm by the electronic products industry. Says Mike Motz of Liebert Corporation, "Manufacturing is a cornerstone of our economy. It is important that we have an environment that serves to provide the best opportunity for our success, for delivering products that meet the needs of consumers and offers the highest degree of safety. The current environment offers unnecessary and costly obstacles. We are very hopeful that we can remove these barriers by working together."

[Anti-Counterfeiting Measures Protect Certification Marks](#)

While improving service during the testing and certification process is the number one priority for testing laboratories in the eyes of customers, agencies are also expected to protect the value of their approval marks by implementing and enforcing strong anti-counterfeiting policies.

Counterfeit approval marks can jeopardize market confidence in the products that bear them. Left unchecked, counterfeiting could undermine the system of standards, testing and certification that protects the interests of businesses, specifiers, and consumers. The major testing and certification organizations, including CSA International and Underwriters Laboratories, have initiated aggressive programs to detect, expose, and punish any unauthorized use of their marks. Vigorously protecting these valuable assets defends the interests of businesses and consumers who rely on legitimately issued marks for assurance that products or components meet applicable standards.

For its part, CSA International has recently formed an anti-counterfeiting alliance with Gowling Lafleur Henderson LLP (Gowlings), a recognized leader in intellectual property law, as part of its zero-tolerance policy to curb the growing problem. Under the alliance, CSA and Gowlings will share intelligence and offer joint action where feasible. For example, if a manufacturer's certified product has been counterfeited, they may be invited to act as a co-plaintiff with CSA, represented by Gowlings. They can also initiate parallel litigation coordinated by Gowlings. The law firm will also offer similar arrangements to its clients. "We have adopted a zero tolerance policy towards counterfeiting of CSA's product certification marks," said R.J. Falconi, Vice President, General Counsel and Corporate Secretary, CSA Group. "Gowlings is well known for its expertise in intellectual property law and this alliance allows us to effectively take action against those involved in counterfeiting in a cost effective, expedited manner, thereby helping to protect the safety and security of consumers and CSA clients."

In addition to the alliance, CSA has also taken initiative in many other areas related to anti-counterfeiting, including: offering training programs to help retailers understand product approval marks and detect counterfeit marks; developing a white paper on counterfeiting; enhancing its marketplace surveillance of various commercial outlets; and continuing to investigate information sources from regulators, manufacturers, and consumers.

[What Lies Ahead?](#)

As manufacturers continue to adopt new product design and development processes, and implement even more advanced manufacturing methods to remain competitive, their testing and certification needs will evolve as well. According to Luecke, "The organizations that provide those services in the future must be highly flexible, responsive and provide their services in a timely manner, if they hope to meet the manufacturers' changing needs, and maintain a loyal and satisfied customer base. Maintaining a strong focus on the needs of our customers, and the community as a whole, will enable CSA International to set the pace for excellence in the certification industry for years to come."

[To learn more, contact:](#)

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