



Our periodic newsletter filled with the latest news and updates in the quality assurance industry.



QC INSIGHTS

APRIL ISSUE

Help for your supply chain



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HQTS Expands Supply Chain Services

The Issue

Sourcing on a global scale is a critical driver in lowering costs and remaining competitive. Increasing competition in your markets puts pressure on profitability and quality in your product mix, giving rise to issues related to quality management. While global sourcing is here to stay, it is essential to optimize the quality management component of your supply chain to meet these challenges.

The wide array of technical standards and government regulations also complicates your global sourcing efforts. The constantly changing regulatory environment, uneven enforcement, and complex rules increase your challenges. As an importer or exporter, moving products across borders requires you to be current, and in compliance, with the specific market regulations wherever you sell your products.

How can HQTS help?

HQTS understands the complexities you face in your supply chain, and especially in terms of quality management and vendor issues. If you wish to ensure the quality and safety of your products, it is essential to ensure your suppliers deliver what you need, and when you need it. Although it can be a challenge, HQTS supply

chain services can help to optimize your global sourcing effort in terms of product quality.

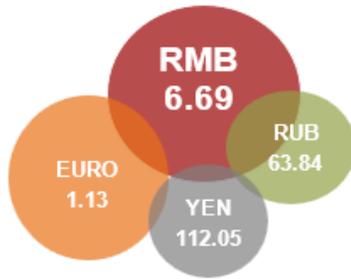
Our supply chain services are quality assurance focused and include quality control inspections, product testing, factory audits, quality control consulting, certifications, as well as a wide range of in-house safety, performance, and chemical testing capabilities. Also, we provide services such as import-export industry and regulatory updates, access to vendor data and key performance indicators, among others.

Our team of experienced technical experts can guide you through the maze of requirements applicable to all your products. We have broad experience and knowledge regarding international regulations and can help you to bring your products to the market, safely and in compliance with legal requirements.

As a CNAS ISO accredited organization, we are certified to perform a broad range of quality assurance management services, as well as testing against ISTA, Rohs, REACH, CPSIA, DMF, Cl Prop 65, GB and many more global regulatory standards.

For more information, *contact us today!*

Currency to Dollar



APRIL TRENDS

The USD is braced for decline as EUR is poised for recovery. Currency markets entered a new stage of flux this year amid heightened uncertainty over the global economic outlook, leading major exchange rates to trade within tight ranges thus far in 2019.

4 IMPORTANT SKILLS FOR SUPPLY CHAIN LEADERS

Definition of an Understatement

"The supply chain stuff is really tricky." — Elon Musk

SURVIVING THE "TRADE WAR"

Research from the Washington-based Trade partnership predicts that more than two million jobs are at risk in the USA alone due to the trade conflict. With US\$250 billion of Chinese exports to the United States subject to tariffs of 10 percent, major trucking companies are already reporting decreasing business.

What to do? The answers are not simple. Measures some companies have taken include reducing overhead, raising prices, and exploring new markets for both sourcing and selling.

While none of these is a panacea, some actions are becoming more necessary as the situation continues to drag on. Let's hope it ends soon!

1

Market and Economic Dynamics

From understanding buyer behavior to global industry issues, having the ability to quickly analyze and grasp the underlying impact on strategies is key to future success.

2

Project Management Skills

Every aspect of managing supply chains requires PM skills. These include the ability to cross manage budgets, resources, and schedules, as well as risk management.

3

Empowering Staff

USA President Reagan said, "the greatest leader is not the one who does the greatest things, but who can get people to do the greatest things". Enough said.

4

IT and Automation

Not only will you and your staff use IT, but you will have direct input into purchase decisions. So having a solid understanding of IT is critical.

"You don't get what you want, you get what you negotiate."

— Harvey Mackay

TRENDS IN MANUFACTURING

One of the most interesting developments in manufacturing is the development of industry/university collaboration. While some have been in place for years, this year has seen significant growth in those collaborations.

HQTS is pleased to announce our own collaboration with a local university in developing a curriculum for professional quality assurance practitioners. This collaboration will allow mutual access to resources and expertise to better

understand theoretical and practical applications of quality assurance process, systems, and techniques.

HQTS has long been recognized as an industry leader in QC/QA training. We are proud to support this program for professional development of a new class of QC professionals



MAY SNEAK PEAK

-  **The Games Vendors Play**
-  **Partnering with Key Accounts**
-  **Trends in Supply Chain Services**
-  **Regulatory and Industry Updates**

UPCOMING EVENTS

The 125th Canton Fair
April 15 - May 5, 2019
China Import and Export
Fair Complex
Guangdong China
Booth 4-4

International Gifts
April 25-28, 2019
Shenzhen Convention &
Exhibition Center
Booth 5A17

HQTS is a full service quality assurance and supply chain services company.

Regulatory Updates

HQTS NEWS

From the Office of Mr. Fan, CEO

We are delighted to announce that HQTS is approved as an official Amazon APASS provider.

Our ISTA certified packaging laboratory has long worked with customers to satisfy the needs of Amazon packing requirements. However, we are pleased to now be recognized for our expertise in this area.

Providing guidance and certification assistance for meeting requirement of Tier 1 Frustration-Free packaging (FFP), Tier 2 Send in Own Container (SIOC); and Prep-Free packaging (PFP). APASS stringent standards apply equally across all eComm delivery platforms.

Having passed the Amazon vendor approval process at their Seattle WA laboratory, we are now ready to help serve the packaging needs of all eCommerce suppliers.



QC Dog's Corner

We recently received a request from a large customer to handle a quality issue on products stocked in distribution warehouses in several countries. The issue was related to a powdery material sluffing off the packaging. The problem was not one we had dealt with in the past. However, we were happy to support our customers' needs.

Management immediately mobilized a team to address it. By trial and error, our team was quickly able to determine the cause and implement a resolution to resolve the problem at multiple locations.

Our client was grateful for the professional, and successful response of our team.

Sequin-Covered Toys

ADCO issued a note regarding the age grading of sequin-covered soft-filled toys, stating they must be safe for children of all ages. Manufacturers are not allowed to add the age warning

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ECHA to Eval 31 Substances

ECHA Member States planned to evaluate 100 substances over the next three years. For the 31 substances specified for 2019, the evaluating authorities have 12 months from today to carry out their evaluations.

[CLICK FOR ARTICLE](#)

Prop 65 Safe Harbor

California's Office of Environmental Health Hazard Assessment has established Prop 65 maximum allowable dose levels (MADLs) for oral and inhalation exposures to n-hexane. The regulation begins on July 1, 2019.

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ECHA Seeks Public Comment

The ECHA launched its public consultation of on six potential Substances of Very High Concern (SVHC). The 3 proposed substances in the consultation are listed as below. The deadline for commenting is April 29, 2019.

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