Survival in a Global Market

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Competitive price point? Check. Product quality supersedes others? Check. Performance specifications in line with the customer's request? Check. Unique features? Check. Availability and reasonable lead time? Check. Product meets regulatory standards and certification requirements? Check, check, check.

Regulatory impact on drinking water products in a global sales environment

As a manufacturer of drinking water products and solutions, it is imperative to be constantly aware of not only the current water filtration industry, but also of emerging markets, global consumer trends and the diverse international requirements of product certification. Regulations are becoming more numerous and better defined as consumers demand safer and higher-quality products, especially when it comes to drinking water.

There are many challenges in marketing and selling custom drinking water products on a global level, particularly with respect to the specific filtration standards and guidelines required by each international market. As international markets evolve, avenues to new markets open, while entry into existing markets becomes more difficult as regulations are firmly established.

Today, it is no longer sufficient to simply supply a product that meets a customer's needs or makes abundant contaminant reduction claims. Manufacturers need to go beyond merely providing a product that meets a customer's desired requirements, and go several steps further through testing, qualifying and implementing new product solutions that comply with specific regulatory standards and guidelines.

In many cases, customers are not aware of the significance of the market regulations that affect their products. It becomes the supplier's responsibility to ensure that customers are fully aware of the applicable standards and to assist them with compliance.

Certification Requirements

From a sales perspective, it is critical to ensure that certification is an integral component of program execution and product development. Apart from having proprietary product design, development, engineering, manufacturing and testing capabilities, it is essential to be able to leverage a sale through the certification and regulatory element. Before approaching a potential new customer in a sales and marketing role, it is important to have a full breadth of knowledge of the regulatory environment in which the product will be sold.

For example, filtration systems generally must meet material requirements in addition to more extensive requirements that may vary based on the region. Whether it is for the European Union, South America or the emerging Asian markets, material requirements stand out as a common initial hurdle.

Typically, a regulatory agency's initial primary concern is to ensure that the proposed product does not impart any contaminants that may negatively affect the end user or the environment. As a result, products may undergo substantial evaluation and testing to confirm that they do not release any contaminants of concern. This type of testing usually is performed by a local governmental or appointed agency, which may add nuances to the testing protocol not common in other regions.

Because this process can be costly and time consuming, it is important for manufacturers to have a thorough understanding of the materials used in a system prior to certification testing, as well as the specific test protocol for that market. This will greatly reduce the possibility of negatively impacting the test results and, ultimately, the launch of a new product.

Standards Around the World

Water filtration products produced and distributed within the U.S. are faced with an exhaustive review and materials testing. This testing is formalized in NSF/ANSI standards and typically is performed by independent certification agencies such as NSF Intl. or the Water Quality Assn. As part of this comprehensive certification process, products are tested not only for a standard group of regulated contaminants, but also for a specific list of contaminants that may be associated with the materials used in each particular product under review.

In comparison, the U.K., via the Water Regulations Advisory Scheme, employs a battery of tests, including a cytotoxicity screening test that assesses a product's impact on drinking water in regard to odor, flavor, appearance and microbial growth. The purpose of the cytotoxicity test is not to test for specific contaminants, but rather to determine if the product has a toxic effect on a mammalian cell from an extracted sample of water over the course of seven days. If the product shows a positive result, it will not be approved for sale.

Regulations in Brazil, on the other hand, are defined by the Brazilian Assn. of Technical Standards, which requires that a product undergo extraction testing. This type of testing is similar to that of NSF/ANSI standards; however, the number of contaminants screened is substantially lower.

Similarly, the Chinese Ministry of Health certification standard has a fairly extensive list of contaminants that are captured in the extraction screening process; however, its review of materials used in a product is minimal when compared with NSF/ANSI standards.

This is just a brief synopsis and comparison of some of the leading standards that could be encountered when launching a new drinking water product in a new market. In addition to material requirements, many countries have regulations set in place regarding packaging, environmental concerns, disposal methods, labeling and border regulations, which may apply to all products being sold in that country. For example, the EU has numerous

International tradeshows, such as Aquatech China, pictured here, can help manufacturers expose their products to new markets.

regulations that need to be taken into consideration, such as the relatively new Registration, Evaluation, Authorisation and Restriction of Chemical substances directive, which requires all materials being shipped into the EU to be reported on an annual basis.

A Competitive Edge

Although certification requirements are not insurmountable obstacles, it is apparent that having knowledge of a specific market well in advance of an anticipated product launch can save a vast amount of time, as well as help leverage an organization above the competition.

Aside from offering innovation and quality, a manufacturer that can supply a product that meets the standards or requirements of a customer and its related market will have a decisive advantage over its competitors. Furthermore, the ability to document that a product currently meets or is capable of meeting the regulatory requirements of a target market will set an organization apart from competing suppliers.

It is clear that in order to keep up with the ever-changing global environment, regulations are an increasing challenge for suppliers and consumers. Suppliers must understand these regulations and anticipate customers' needs for their specific markets.

As drinking water standards become more rigorous, they will increasingly affect the products and processes manufacturers can use. A company's ability to compete in this fast-paced environment will depend more and more on its willingness to invest in the improvement of its regulatory knowledge, as that will contribute to its success in attracting and retaining customers in this industry. *wqp*

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