Counterfeit goods a costly threat to sector

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An influx of inferior-quality competitive electrical connector products into South Africa is a threat to the local manufacturing industry, owing to their unreliability, says electrical connector supplier Alexander and Poole area manager Juanita Fisher-Hill.

"The greatest offenders are companies from the Far East that export counterfeit and inferior products by the container load. These are manufactured to look identical to the genuine original-equipment manufacturer (OEM) products. Unless you know what to look for, you will be convinced the products are from the OEM."

She adds that these counterfeit goods are so closely cloned that one would not be able to tell it is counterfeit until it malfunctions.

"The lure is that they appear to be genuine parts but are sold at a quarter of the price. The buyer thinks they are getting a real bargain."

Fisher-Hill warns that buyers need to put greater effort into inspecting products more closely to ensure that they know exactly what they are buying.

Therefore, Alexander and Poole is currently focused on a concerted sales and marketing drive to reignite awareness around genuine OEM parts, particularly the company's Anderson Power Products (APP) range – which Alexander and Poole has the sole right to distribute in South Africa.

The APP range comprises high-quality, genuine OEM products with the strictest adherence to international industry standards to ensure that manufacturing can continue uninterrupted.

Meanwhile, closer inspection of a part can reveal a number of "tell-tale signs" that it is counterfeit and, thus, inferior, says Fisher-Hill.

For example, the quality of materials used in the manufacture of the SB series connectors – used particularly in the 4 × 4 bakkie manufacturing industry and part of the APP range – is an easy way of determining the difference between the OEM version and the counterfeit version.

"If you look at the contacts, the lugs of the connectors appear pretty standard and silver in colour. With an OEM connector, these should be made from silver-coated copper. In counterfeit parts, these are made with inferior tin. Once this metal is subjected to any degree or duration of heat, it will simply melt," Fisher-Hill explains.

Another indication that the product is not OEM-manufactured is that the plastic appears to be made from recycled, thinner material. Counterfeit parts neither carry a warranty or guarantee nor do they contain any of the inherent safety features.

Fisher-Hill says the problem is compounded by these products being available to buy online – advertised as OEM products without contestation. The ruse can be uncovered only once the product is physically in the buyer's hands and the impact on the end-user is "profound".

"When charging a battery, for example, there needs to be a constant flow of current or else the voltage drops. When that happens, that battery is damaged beyond repair. The potential for disaster is immense when this type of malfunction occurs."

Fisher-Hill claims that, although the end-user can buy counterfeit products at a lower price, they will require constant replacing and, ultimately, result in a more expensive process than buying OEM parts in the first place.

Manufacturing Indaba

Alexander and Poole will participate in the virtual Manufacturing Indaba on December 9 and 10.

"We will take a keen interest in advances and trends in the market to learn and see where we can make a difference. We also want to educate clients and potential future clients participating in the Indaba about our wide range of products," Fisher-Hill explains.

She adds that the Manufacturing Indaba has always been an important event and that, even during the Covid-19 pandemic, it will continue to play a vital part in terms of informing the industry of developments in the manufacturing sector.

Owing to the pandemic, the ensuing lockdown and the decline in the local economy, every aspect of industry has been affected and slowed down, including manufacturing – a vital aspect of the country's gross domestic product. "Nevertheless, we are optimistic that if we continue promoting our high-quality products and services, we will emerge stronger on the other side as the economy recovers," she says.

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pandemic-affected global manufacturing industry news to enable them to better position themselves and plan ahead.

"Most global and local markets have struggled this year owing to the impact of the lockdown. The gradual restarting of economic activity as the lockdown eases, level by level, and the consistent presence of Covid-19, have created a lot of pressure for manufacturers."

She adds that, although manufacturing has slowed down significantly, it has resulted in a renewed focus on localisation and has forced manufacturers to rethink their reliance on imported products – especially those from Asia.

"During the lockdown period, many products could not be sourced internationally. Therefore, manufacturers had to develop new product lines locally to meet demand," she says.

In addition to the challenges created by Covid-19, various socioeconomic challenges remain front of mind for South Africa's manufacturing sector. These include political instability and insecurity; State capture, corruption and political mismanagement; infrastructure constraints; low productivity because of the high cost of manufacturing; a lack of skills development; and negative perceptions of South Africa held by potential investors.

Focus on Industry 4.0

South African manufacturing has accelerated its uptake of Industry 4.0.

"There is a massive increase in Industry 4.0 technology, owing to the impact of Covid-19 and the need to minimise face-to-face engagement. Companies are exploring new technologies to help mitigate the risks of people connecting in person and to keep their workforces safe," Hart explains.

The Manufacturing Indaba will feature a focused session during which the implementation of Industry 4.0 will be discussed, and how its use can support manufacturing growth and ensure that manufacturers can continue trading in these difficult market conditions.

"Manufacturing activities promote development in that they boost the value generated in an economy by creating activity further along value chains, from raw materials to finished products. The introduction of innovative technologies and methodologies in the manufacturing realm further increases productivity levels," Hart concludes.

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