



Thesis: A Tightening of the legal environment in connection with a growing importance of the suppliers in the chain of production require Total Quality Management

## I. Introduction

### 1. Products Liability Laws

- EC directive
- future developments
  - product safety standards
  - waste-producer liability
  - products liability for services
- case law will further tighten the liability
- developments in the United States of America will have their effects

2. In the production industry, there is a trend towards "assembling", rather than "manufacturing" the final product: the extent to which a product is in fact made in the plant of the last producer in the chain of production is reduced, while more suppliers gain greater importance through producing entire parts of the endproduct.

- this increases the number of possible product safety plaintiffs even before the final product is completed
- possible losses in the industry are rising due to greater inter-dependencies



## II. Product Liability Today

- warranties
- product liability towards consumer
- product liability towards industry
  - important due to large sums involved
  - production units are more expensive
  - business interruption costs are easily incurred and extremely high, hardly insurable

## III. Neccessity for Quality Management

- basis: quality circle EN 29000 - 29004 (ISO 9000 -90004)
- implementation concerns technical questions
- FMEA (Failure Mode and Effects Analysis) reduces probability of product failures
- SPC (Statistical Process Control) can help to evidence
  - product failure outside the control of producer (Product Liability)
  - regular operation (environmental liability laws)
  - exemptions from waste producer liability (proposed waste producer liability)
- TQM (Total Quality Management) enables to contract under quality related terms
- Quality is produced rather than controlled; responsibility rests with the production.



Overheads / Slides

- EC directive on products liability  
implementation + contents
  
- EC directives in preparation
  
- Growing importance of component part suppliers
  
- Product Liability today
  
- Quality Circle
  
- Failure Mode and Effects Analysis
  
- Total Quality Management