

Warning Signs that a Supplier is in Trouble

There are many danger signs that can tip the hand of a wayward supplier. Any of these signs may not be a sure sign of trouble but definitely imply that threatening things are occurring in the life of this vendor. It is best to heed the signs of warning that appear and take steps to protect your business.

1. The receipt of goods has gradually slowed in recent times
2. The supplier repeatedly complains of problems with their supplier, which has hurt them with all of their customers.
3. Work on a service contract has slowed due to lack of materials.
4. Supplier states that they no longer offer those parts but can substitute them with a different brand.
5. Service work has been unsatisfactory and repair crews constantly complain about their company.
6. Service technicians have asked about a job with the buyer versus wanting to work for the company that the buyer has contracted to do the work.
7. The supplier's sales rep talks to the buyer about being a sales rep for the buyer's firm.