



Frequently Asked Questions About Grey Market

What is Grey Market?

When we talk about the Grey market, we are talking about channels that are not authorised by brand manufacturers. Manufacturers use their authorised distributors to secure their supply chain, guaranteeing product authenticity and quality. What makes the Grey market Grey is that it's often difficult to recognize when it's happening. Sometimes, even people who are selling Grey market products don't realize it.

What is wrong with Grey market products?

The products sold by Grey market channels have been diverted from their secured supply chain. They often don't comply with local laws and are sold in a country where they are not approved for use. They may have compromised quality due to improper handling or storage conditions. In some cases, they are repackaged or relabelled products. In other cases, a product's expiration date may be changed so it can be sold beyond its original expiration date. Less common, but of great concern, are counterfeit products – fake products that look like the real thing, but pose the greatest risk to safety.

Why would people buy Grey market products?

What makes Grey market products so pervasive is price. Grey market distributors purchase and sell products well below the wholesale cost set by authorised distributors. For a dental business trying to watch pennies, this difference can be tempting. But make no mistake: the risks far outweigh the rewards.

What problems can be caused by using Grey market products?

First and foremost, patient safety can be put in jeopardy when using these “unauthorised” goods. Product quality is not assured. Second, loss of productivity is an issue. You lose time re-doing work, trying to figure out why materials don't work as expected and handling the complaints of dissatisfied patients. Third, lawsuits can be brought against a clinic by dissatisfied patients. Fourth, beyond the financial and patient outcome risks, a dentist's reputation can suffer from events caused by Grey market goods.

How is a warranty affected by Grey market products?

Products purchased through unauthorised dealers are typically not guaranteed by the manufacturer should you experience any product performance problems, nor will manufacturers honour promotions or returns, since they have no assurances about their origin or handling. Contrarily, when you purchase products through a certified channel partner, you receive the authentic products, service, training and support you deserve.



FAQs continued:

What can a dental clinic do to avoid buying Grey market products?

First, be sure to keep the idea of cost reduction in perspective. For most dental offices, supply expense is only about 5-7% of gross revenue. Saving even 30% of supply expense is minor when you consider the value of your business and your reputation.

Second, train your assistants to buy only from authorised distributors. Give them a list of your favourite brand's authorised distributors. Teach them to work with authorised distributors to find offers that work for your budget. Require your staff to vet illegitimate dealers who solicit your office, and not to look for prices that are too good to be true. Doing so buys everyone more peace of mind.

What should we do if we have questions about a particular offer?

If you have questions about an offer, call the manufacturer and ask for assistance. (In a 2015 survey conducted by Apex 360, more than 60% of dental professionals did not confirm a manufacturer had authorised a dental distributor to sell a product when ordering.)



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