

Compliance Matters

By Bob Yeoman, B&R Compliance



Bob Yeoman

This month *CryoGas International* introduces our newest column — Compliance Matters — authored by Bob Yeoman, President and CEO of B&R Compliance. From the production floor to executive level management functions, the B&R Compliance experts provide solutions for regulatory and safety compliance in the industrial and medical gas business. In his columns, Bob Yeoman will examine the broad range of compliance management issues affecting companies in the industrial and medical gas industry. Compliance Matters will provide insight and information on FDA issues, for which B&R Compliance is well-known, as well as other regulatory management issues affecting readers of *CryoGas International*, including those relating to safety, the environment, transportation and security.

The downturn in the economy has dominated the news for months, and Wall Street's woes have reached Main Street, impacting all aspects of our lives. As business managers develop plans to weather this storm, it is important to ensure that compliance issues are considered in those plans. Today, many gas firms are examining and thinking of changing long-standing supplier relationships to improve costs. These seemingly routine changes can have ripple effects on safety and compliance, and can introduce new and unsuspected risks into your business. Something as innocuous as changing to a new bulk product supplier, or having a new firm fill your high-pressure cylinders, can open the door to problems. This is especially true if the safety and compliance aspects of the transition process to a new supplier are not adequately considered and managed.

Making sure simple things — like site safety rules, smoking policies, work permitting processes, and emergency procedures and evacuation routes — are discussed with vendors can prevent vendor employees from causing or having accidents at your site. When changing or adding vendors that will perform regulated activities on your company's behalf, like filling medical cylinders, we strongly recommend performing a review/audit of the prospective suppliers to gauge their management of critical compliance issues. These audits can, down the road, prevent your company from becoming involved in regulatory actions or product recalls that are caused by your vendor. An audit also helps to protect against the possibility of product supply dis-

ruptions should your vendor experience an unfortunate event that impacts his ability to supply your company.

The money spent taking a proactive stance on compliance can, at the very least, alert you to the presence of potential problems with your vendor. This knowledge, depending on your tolerance for risk in your business, can be an important factor in your decision-making processes. At the very least you will be making a more informed risk/reward decision. This knowledge may also lead you towards developing contingency plans, or plans that ensure you are not putting all of your eggs in one potentially risky basket.

I have seen many instances in which firms focused exclusively on the cost of the goods or services, and missed or ignored warning signs that highlighted the potential safety and compliance problems associated with these cost-only decisions. Firms can end up paying a very high price for goods and services if safety aspects are not adequately considered when things go wrong. For small firms that lack in-house expertise, a quick phone call to an experienced safety and compliance specialist who knows what to look for, can keep your business on the right track. An up-front investment in due diligence for your firm is your best insurance against a vendor supply problem becoming your worst nightmare.

If there is one thing we have all learned from the current economic predicament, it is that we need to know where our money is being invested and if it is being used in a sound manner. Industrial and medical gas distributors need to know their suppliers and service providers in the same way, and be sure these vendors are in compliance on regulatory issues that matter to the success of the distributor business.

Bob Yeoman is President and CEO of B&R Compliance Associates LLC. He can be reached at 610-868-7183 or at bob.yeoman@brcompliance.com. ■

E-mail to Our Contributing Writer

Bob Yeoman,
President and CEO
B&R Compliance
RE: "Medical Gas Regulations"

December 1, 2008

Dear Bob,

I wanted to compliment you on an excellent and well-written history of FDA that appeared in the November 2008 issue of *CryoGas International*. I like your style of writing. You provide a valuable service to our industries as a link to our heritage.

Your Friend,
Wally Brant
President, Indiana Oxygen Company
Indianapolis, Indiana

We agree with Wally Brant and have invited Bob Yeoman to be a *CGI* columnist, reporting on regulatory issues of importance to our industry. He accepted!