ORGALIME

INTRODUCTORY NOTE

ORGALIME GENERAL CONDITIONS
FOR THE SUPPLY OF STANDARD PRODUCTS – STP 18

As the international sale of products represents the core business of companies in the mechanical and electrical engineering industries in Europe, Orgalime has for a long time recognised that these companies would benefit from a set of general conditions for the supply of products. To satisfy this demand Orgalime has since 1992 published its "General Conditions for the Supply of Mechanical, Electrical and Electronic Products" (the newest version titled S 2012). These conditions are intended for tailor-made products and technically more complex products.

In addition to these products the mechanical and the electronical industry produces a wide range of products that are not manufactured according to the special requirements of an individual customer, but can be applied as components in many technical products. Such products, meeting general market needs, but not any special requirements of an ordering customer, are considered as standard products.

Against this background, ORGALIME S 2012 Conditions might not always be appropriate for the supply of standard products. As an example: the S 2012 Conditions contain fairly detailed rules concerning the supplier´s liability for defects. According to S 2012, one of the obligations mostly chosen by the supplier, when the purchaser notifies him about a defect which appears in a product, is to remedy the defect in question. However, when dealing with standard products, the supplier would normally replace the defective product with a new one as the price of such a product is in many cases lower than the cost for repair.

By the publication of the new Conditions for Standard Products Orgalime meets the demand from companies asking for concise conditions fitted to standard products. It should also be emphasized that Orgalime here fulfils the tradition of the organisation to issue general conditions which, in a reasonable way, balance the interests of the purchaser and the supplier.