Before You Ship: How Well Do You Know Your Customer?

A new customer calls. The price is right, and the load is ready to be shipped. But how well do you really know who you're shipping to? Many costly produce trade disputes begin before the product ever leaves the dock, with a sale to a customer who wasn't fully checked out. The Fruit and Vegetable Dispute Resolution Corporation (DRC) shares **10 practical steps** to help you protect your business before you ship.

With proactive due diligence—and the technical assistance of the DRC—you can protect your produce business from unnecessary risk. Whether you are a seasoned veteran, a brand-new member, or evaluating how to safeguard your next transaction, make these core steps a part of every trade:

1. Verify DRC Membership First

Is your customer or prospect a DRC member? If you aren't sure, treat it as an immediate red flag. Visit our website to search the DRC's public member list, or contact the DRC office directly if you need help. *(Non-members can take advantage of our public tools, but full members enjoy seamless access to our team to run these checks instantly!)*

2. Confirm Good Standing, Not Just Membership

Finding a name on our list is a great start, but are they in good standing? Members can reach out to our Trading Assistance Team-to verify their current standing and gain valuable guidance before finalizing a sale and shipping product.

3. Vet Your References Thoroughly

Never skip checking references. A reference is only as good as its reputation; many firms discover too late that a reference provided is nonexistent or unreliable.

4. Confirm Who You Are Actually Dealing With

Verify that anyone contacting you on behalf of a company is an employee or authorized representative—not an unverified intermediary.

- Confirm their identity through the company's website, staff directory, or member portal.
- Contact the company directly using official contact information.
- Ask to be connected through the company's switchboard or internal extension if available.
- If you are a Blue Book Member, check their Blue Book Verify Tool, which confirms the identity of potential trading partners.

5. Look Into Blue Book Services

Is your trading partner listed and rated in Blue Book Services? If not, ask yourself why. Unlisted firms may be brand new or handling minimal volumes. Listed and not rated can also be a red flag.

6. Check: The Perishable Agricultural Commodities Act (PACA)

If your trading partner operates in the United States, consult the PACA database to review the license status of each company, including trade name(s), branch location(s), principal(s), and other license related information.

7. Dig Deeper into Credit Ratings

Don’t assume an unrated listing means business as usual. It often means the company isn't ratable or lacks enough file history to establish a score.

8. Match the Paperwork

Do the phone numbers, addresses, personnel, and EXACT company name match up with DRC’s records? If they don’t, this could be another red flag.

9. Insist on Arbitration Agreements

If you are doing business with a non-member, do they at least have a DRC arbitration agreement in place? Without one, you leave yourself exposed to high costs and legal vulnerabilities if challenges arise.

10. Keep Clear, Detailed Records

In a dispute, proper documentation is everything. Always retain copies of your purchase orders, invoices, inspection reports, and written communications. Having a clear paper trail makes resolution through the DRC much faster and smoother.

Don't Face Trade Disputes Alone

Time and again, experience shows that many disputes could easily have been avoided by checking with the DRC and practicing a little upfront due diligence before the sale. Everybody takes a calculated chance occasionally, but navigating the produce industry without a risk mitigation partner is a gamble your bottom line shouldn't have to take.

Not yet a member?

Discover how a DRC membership can pay for itself the first time a dispute is avoided. Visit fvdrc.com to learn more about membership benefits or contact DRC's Member Services at +1 613.234.0982 or info@fvdrc.com.

We look forward to helping your business trade with confidence!

About the Fruit and Vegetable Dispute Resolution Corporation

The Fruit and Vegetable Dispute Resolution Corporation (DRC) is a not-for-profit, membership-based international entity dedicated to fair and ethical trade in the fresh fruit and vegetable industry.

Through industry-leading trade standards and an effective dispute prevention and resolution system, the DRC helps businesses trade with confidence worldwide.

For more information:

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