



## Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment

Version No.: 10

1-Jan-19

### Audit Details

Costco Audit Request #	201902-NFGMP-04094		
<b>Audit Type</b>	<b>Annual Audit</b>		
Audit Report #	JSASCN19276061	Auditor Name	Ivy Qu
Audit Start Date	Apr.25~26, 2019	Number of Mandays	2MD
<b>Follow-up Audit 1</b>	<b>1st Partial Re-Audit</b>		
Audit Report #	JSASCN19768776	Auditor Name	Ivy Qu
Audit Start Date	Jul.16, 2019	Number of Mandays	1MD
<b>Follow-up Audit 2</b>	<b>Not Applicable</b>		
<b>Factory Name</b>	<b>Lincheng Yongtai Garment Co., Ltd.</b>		
Address	East of the Northern Part of Zhongxing Road, Lincheng Economic Development Zone, Hebei Province		
City	Xingtai	State/Province	Hebei
Country	China		
Postcode	054300		
Telephone #	0319-3700086		
Fax	0319-3700086		
E-mail	yongtailjq@163.com		
Supplier Name	COALISION INC		

### Key Personnel

Name	Job Title	E-mail ID
Li Jianqiang	Office administrator	yongtailjq@163.com
Zhao Guomin	QC manager	lcyt369@163.com
Gu Junna	Production manager	lcyt369@163.com

*Note: provide up to 5 key personnel only*

### Sub-contractor Information

Processes	Factory Name	Factory Address
Printing	Hebei Chenyang Printing Factory	Ningjin County,Xingtai City
Embroidery	Ningjin Senya Embroidery Factory	Ningjin County,Xingtai City

### Company Profile

Factory established in year:	2010.10.12
Main manufacturing processes:	fabric-cutting-sewing-ironing-inspection-packing
Product category	garment
Factory area / dimensions	22000m <sup>2</sup>
Number of Buildings	7
Total number of employees	300
Production capacity	800000pcs/year
International certification	Nil

## Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment

Peak season	Not obvious
Major market	US,EU
Major customer	Costco,TCM,LOLE,HUK
Remarks (if any):	

**AUDIT RESULT SUMMARY**

**Lincheng Yongtai Garment Co., Ltd.**

Annual Audit			
Report #	JSASCN19276061	Audit Date	Apr.25~26, 2019
Auditor Name	Ivy Qu	Number of Mandays	2MD
	Section Name	Section Score	Section Rating
<b>Section 1</b>	Management Commitment & Continual Improvement	100%	Green
<b>Section 2</b>	Risk Management	85%	Orange
<b>Section 3</b>	Quality Management System	91%	Orange
<b>Section 4</b>	Site and Facility Management	72%	Red
<b>Section 5</b>	Product Control	89%	Red
<b>Section 6</b>	Product Testing	100%	Green
<b>Section 7</b>	Process Control	89%	Orange
<b>Section 8</b>	Personnel Training	63%	Orange

Overall Score	Overall Rating
87.32%	Red

1st Partial Re-Audit			
Report #	JSASCN19768776	Audit Date	Jul.16, 2019
Auditor Name	Ivy Qu	Number of Mandays	1MD
	Section Name	Section Score	Section Rating
<b>Section 1</b>	Management Commitment & Continual Improvement	100%	Green
<b>Section 2</b>	Risk Management	94%	Orange
<b>Section 3</b>	Quality Management System	100%	Green
<b>Section 4</b>	Site and Facility Management	97%	Yellow
<b>Section 5</b>	Product Control	100%	Green
<b>Section 6</b>	Product Testing	100%	Green
<b>Section 7</b>	Process Control	99%	Orange
<b>Section 8</b>	Personnel Training	100%	Green

Overall Score	Overall Rating
99.05%	Orange

Factory Name		Audit Date	Report #	Audit Date	Report #
Lincheng Yongtai Garment Co., Ltd.		Apr.25~26, 2019	JSASCN19276061	Jul.16, 2019	JSASCN19768776
Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Annual Audit		1st Partial Re-Audit	
Clause #	Sectional Scope & Clause Requirements	Assessment Result	Audit Findings	Assessment Result	Audit Findings
<b>1</b>	<b>Management Commitment &amp; Continual Improvement</b>				
1.1	Does factory establish a quality policy stating the factory's intentions to meet its obligations to manufacture quality, safe and legal products, and its responsibility to the customer?	Full Compliance	Yes	Full Compliance	Yes
1.2	Is the policy communicated throughout the factory, and regularly reviewed?	Full Compliance	Yes	Full Compliance	Yes
1.3	Did management develop and implement a management system to achieve their goals for product quality, safety and customer requirements?	Full Compliance	Yes	Full Compliance	Yes
1.4	Does factory review effectiveness of management systems (e.g. QMS) at defined intervals (minimum once per year)?	Full Compliance	Yes	Full Compliance	Yes
1.5	Are there documentary evidence that demonstrate management commitment to improve any significant area of findings identified during an audit?	Full Compliance	Yes	Full Compliance	Yes
1.6	Does factory track its key performance indicators (KPI) for on-time delivery, outgoing quality, complaint rate, etc.?	Full Compliance	Yes	Full Compliance	Yes
<b>2</b>	<b>Risk Management System</b>				
2.1	<b>Legislative and Safety Requirements</b>				
2.1.1	Is the factory aware of relevant legislation, mandatory standards and industry/customer codes of practice applicable to the product in the countries of intended sale, and having a process in place for ensuring it is kept informed of changes to the relevant information?	Full Compliance	Yes	Full Compliance	Yes
2.1.2	Does the factory have a means of validating information impacting product safety, quality and legality, where such information is provided by the customer or related party?	Full Compliance	Yes	Full Compliance	Yes
2.2	<b>Risk Assessment</b>				
2.2.1	Does the factory establish a Product Risk Assessment for each product or a group of similar products, e.g., FMEA?	Full Compliance	Yes	Full Compliance	Yes
2.2.2	Where manufacturing sites have no responsibility for product design, is the factory provided with a validated copy of the product risk assessment?	Full Compliance	Yes	Full Compliance	Yes

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Clause #	Sectional Scope & Clause Requirements	Assessment Result	Audit Findings	Assessment Result	Audit Findings
2.2.3	Does the product risk assessment address the following aspects which have an effect on product safety and legality?				
2.2.3.1	User types (e.g., new born, young children, vulnerable people i.e., elderly, disabilities)	Full Compliance	Yes	Full Compliance	Yes
2.2.3.2	Product use (e.g., behavior, durability, user awareness, information and advice)	Full Compliance	Yes	Full Compliance	Yes
2.2.4	Does the product risk assessment determine the following?				
2.2.4.1	Possible Hazard/Risk Identification (e.g. Chemical, Physical, Regulatory)	Full Compliance	Yes	Full Compliance	Yes
2.2.4.2	Risk level for each identified hazard/risk (e.g. Severe, High, Moderate, Slight)	Full Compliance	Yes	Full Compliance	Yes
2.2.4.3	Whether the risk is acceptable considering the probability or likelihood and the severity and potential consequences of the effects on consumer safety (e.g., Not Acceptable, Review & Improve, Acceptable)	Full Compliance	Yes	Full Compliance	Yes
2.2.5	Does the factory conduct a Process Risk Assessment of hazards potentially introduced during the production, packaging or storage processes?	Deviation	Based on document review, the factory had conducted process risk assessment, but it did not cover some manufacturing parameters, such as iron pressure, time and temperature, and did not provide records of monitoring and reviews.	Deviation	1st partial re-audit on Jul 16, 2019 result: Open. Based on document review, the factory did not provide records of monitoring and reviews for process risk assessment.
2.2.6	Does the process risk assessment take the following into account?				
2.2.6.1	Manufacturing parameters such as pressure, time, temperature	Non Conformity	Based on document review, the factory had conducted process risk assessment, but it did not cover some manufacturing parameters, such as iron pressure, time and temperature, and did not provide records of monitoring and reviews.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
2.2.6.2	Conditions of equipment, moulds, dies, machinery	Full Compliance	Yes	Full Compliance	Yes
2.2.6.3	Chemicals / materials used for equipment (e.g. lubricating oils and paints)	Full Compliance	Yes	Full Compliance	Yes
2.2.6.4	Calibration of equipment	Full Compliance	Yes	Full Compliance	Yes

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Clause #	Sectional Scope & Clause Requirements	Assessment Result	Audit Findings	Assessment Result	Audit Findings
2.2.6.5	Policies on foreign body contamination (e.g. needles, metal, glass and brittle plastics)	Full Compliance	Yes	Full Compliance	Yes
2.2.6.6	Policies on microbiological contamination (e.g. hygiene of toilet & canteen, pest control)	Full Compliance	Yes	Full Compliance	Yes
2.2.6.7	Personal protective equipment (including specific clothing and footwear)	Full Compliance	Yes	Full Compliance	Yes
2.2.7	Does the process risk assessment identify the following?				
2.2.7.1	A list of potential risk or hazards in the production process	Full Compliance	Yes	Full Compliance	Yes
2.2.7.2	Control points to manage the identified risk to acceptable level	Full Compliance	Yes	Full Compliance	Yes
2.2.7.3	Accept / reject limits defined for each control point	Full Compliance	Yes	Full Compliance	Yes
2.2.7.4	Corrective action to be taken where a CCP is out of control	Full Compliance	Yes	Full Compliance	Yes
2.2.7.5	Responsibility of Control Points	Full Compliance	Yes	Full Compliance	Yes
2.2.7.6	Records of monitoring & reviews	Non Conformity	Based on document review, the factory had conducted process risk assessment, but it did not cover some manufacturing parameters, such as iron pressure, time and temperature, and did not provide records of monitoring and reviews.	Non Conformity	1st partial re-audit on Jul 16, 2019 result: Open. Based on document review, the factory did not provide records of monitoring and reviews for process risk assessment.
2.3	Verification of Risk Assessment				
2.3.1	Is the verification of risk assessment carried out prior to production?	Non Conformity	Based on document review, the factory did not implement verification of risk assessment before mass production.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
2.3.2	Is the risk assessment carried out by competent personnel (internal or external)?	Deviation	Based on document review, workers conducting risk assessments were not formally trained.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
2.3.3	Is the risk assessment regularly reviewed, at least annually or when changes made to product design and materials and/or key manufacturing processes?	Full Compliance	Yes	Full Compliance	Yes
2.3.4	Does the factory implement risk management systems based on a systematic risk assessment system to assure product safety legality and quality?	Full Compliance	Yes	Full Compliance	Yes
3	MANAGEMENT SYSTEM				

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Clause #	Sectional Scope & Clause Requirements	Assessment Result	Audit Findings	Assessment Result	Audit Findings
3.1	<b>Documented Quality System</b>				
3.1.1	Does factory have a documented quality system approved by top management, outlining the criteria and methods used to meet system requirements?	Full Compliance	Yes	Full Compliance	Yes
3.1.2	Does the quality system include detailed procedures, instructions, and reference documents covering all manufacturing processes?	Full Compliance	Yes	Full Compliance	Yes
3.2	<b>Organizational Structure, Responsibility and Authority</b>				
3.2.1	Does factory define and communicate the levels of responsibility and accountability for staff involved with product safety, legality, and quality?	Full Compliance	Yes	Full Compliance	Yes
3.2.2	Are there appropriate arrangements in place, to cover for the absence of key staff?	Full Compliance	Yes	Full Compliance	Yes
3.3	<b>Customer Focus</b>				
3.3.1	Is there a process in place to communicate customer's needs and expectations to all relevant employees?	Full Compliance	Yes	Full Compliance	Yes
3.3.2	Are performance indicators relating to customer satisfaction established?	Full Compliance	Yes	Full Compliance	Yes
3.3.3	Does factory establish a procedure or policy to safeguard customer property including software and intellectual property?	Full Compliance	Yes	Full Compliance	Yes
3.4	<b>Specifications</b>				
3.4.1	Do specifications or codes of practice exist for raw materials (including packaging), intermediate/semi processed products (where appropriate), and finished products?	Full Compliance	Yes	Full Compliance	Yes
3.4.2	Are specifications adequate, accurate, and ensure compliance with relevant safety, legislative and customer requirements?	Full Compliance	Yes	Full Compliance	Yes
3.4.3	Any changes in product specifications are formally agreed with customers and then communicated to relevant departments?	Full Compliance	Yes	Full Compliance	Yes
3.5	<b>Purchasing, Supplier and Sub-Contractor Approval and Performance Monitoring</b>				
3.5.1	Are there procedures for approval and an on-going monitoring program for sub-contractors and suppliers of all raw materials, packaging, and utilities? Does factory use the results of the approval process to determine acceptable/non acceptable sources?	Full Compliance	Yes	Full Compliance	Yes

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Clause #	Sectional Scope & Clause Requirements	Assessment Result	Audit Findings	Assessment Result	Audit Findings
3.5.2	Do these procedures include clear criteria for assessment as well as standards of performance required? (Assessment may take the form of monitoring performance through in-house checks, certificates of analysis or extend to supplier or sub-contractor inspection, as appropriate. Assessment may include evaluation of systems, product safety information and legislative requirements.)	Full Compliance	Yes	Full Compliance	Yes
3.5.3	Does factory provide material specifications and compliance requirements to raw-material, trims and packaging materials suppliers when placing orders?	Full Compliance	Yes	Full Compliance	Yes
3.6	Identification & Traceability				
3.6.1	Is there a lot identification and traceability system for all raw materials (including packaging), work in progress and finished products?	Deviation	Based on onsite observation, parts fabric were not labeled with receiving date, batch number, quantity, inspection status, supplier information, all materials' labels were without supplier information.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
3.6.2	Are raw materials (including packaging), work in progress and finished products identified to ensure traceability?	Deviation	Based on onsite observation, parts fabric were not labeled with receiving date, batch number, quantity, inspection status, supplier information, all materials' labels were without supplier information.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
3.6.3	Can factory identify, trace, and locate 100% of finished product lots/batches from raw material (based on random sampling)?	Deviation	Based on onsite observation, parts fabric were not labeled with receiving date, batch number, quantity, inspection status, supplier information, all materials' labels were without supplier information.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
3.6.4	Can factory identify, trace, and locate 100% of raw materials used in customer products (based on random sampling)?	Deviation	Based on onsite observation, parts fabric were not labeled with receiving date, batch number, quantity, inspection status, supplier information, all materials' labels were without supplier information.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
3.6.5	Is the system regularly tested to ensure traceability can be determined from raw material source to finished product and vice-versa?	Deviation	Based on onsite observation, parts fabric were not labeled with receiving date, batch number, quantity, inspection status, supplier information, all materials' labels were without supplier information.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
3.7	Incident Management and Product Recall				
3.7.1	Does factory have an incident management procedure for incidents or emergencies that impact product quality, safety or legality?	Full Compliance	Yes	Full Compliance	Yes
3.7.2	Is there a procedure to ensure that customers are notified immediately of any issue which has potentially resulted in an illegal or unsafe product being delivered or already delivered to the customer?	Full Compliance	Yes	Full Compliance	Yes



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Clause #	Sectional Scope & Clause Requirements	Assessment Result	Audit Findings	Assessment Result	Audit Findings
3.7.3	Is there an effective, documented Product Recall procedure in place? Is the procedure appropriate, formalized and capable of being operated at any time and takes into account stock requisition, logistics, recovery, storage and disposal?	Full Compliance	Yes	Full Compliance	Yes
3.7.4	Does factory conduct mock recall test to check effectiveness of Product Recall procedure at least once a year?	Full Compliance	Yes	Full Compliance	Yes
3.8	<b>Complaint Handling</b>				
3.8.1	Does factory have a system for the management of complaints?	Deviation	Based on document review, the factory established complaint management system, but the process was applied only for complaints from external parties.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
3.8.2	Do records indicate that complaints are thoroughly investigated and corrective actions taken to eliminate the root cause of non-conformities to prevent recurrence?	Full Compliance	Yes	Full Compliance	Yes
3.9	<b>Corrective and Preventive Action</b>				
3.9.1	Does factory have a system for investigating the cause of significant non-conformity against operation procedures, which are critical to product safety, legality and quality?	Full Compliance	Yes	Full Compliance	Yes
3.9.2	Are there records indicating that the factory takes timely actions to eliminate the root cause of non-conformities against operation procedures in order to prevent recurrences?	Full Compliance	Yes	Full Compliance	Yes
3.10	<b>Document Control</b>				
3.10.1	Does factory maintain proper documentation for control of formulas, specifications, BOM, procedures and work instructions?	Full Compliance	Yes	Full Compliance	Yes
3.10.2	Controlled documents are secured and access restricted?	Full Compliance	Yes	Full Compliance	Yes
3.10.3	Are all relevant safety, legal, quality and complaint documents (e.g. QC, production, complaint, product safety records, etc.) shall be legible and retained in good condition for the time specified by customers or the factory QMS whichever is longer?	Full Compliance	Yes	Full Compliance	Yes
3.10.4	All documents in use are the correct version?	Full Compliance	Yes	Full Compliance	Yes
3.10.5	Any amendments to records are authorized?	Full Compliance	Yes	Full Compliance	Yes
3.11	<b>Internal Audit</b>				

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3.11.1	Are internal audits on management systems (e.g. QMS) conducted at defined intervals (minimum once a year)?	Full Compliance	Yes	Full Compliance	Yes
3.11.2	All corrective actions and follow-ups related to internal audits are satisfactorily completed?	Full Compliance	Yes	Full Compliance	Yes
<b>4</b>	<b>Sites and Facilities Management</b>				
<b>4.1</b>	<b>Factory layout</b>				
4.1.1	Is the building designed, constructed and maintained to minimize any potential for product contamination?	Full Compliance	Yes	Full Compliance	Yes
4.1.2	Does the placement of machinery and equipment allow an efficient product flow and minimize the risk of product contamination, loss of traceability and damage?	Full Compliance	Yes	Full Compliance	Yes
<b>4.2</b>	<b>Production flow</b>				
4.2.1	Is a process flow diagram available?	Full Compliance	Yes	Full Compliance	Yes
4.2.2	Do the premises allow sufficient working space and storage capacity to enable all operations to be carried out under safe and if necessary hygienic conditions, including areas such as raw material storage, component storage, production floor, packing or finishing area, finished product storage, etc?	Deviation	Based on onsite observation, parts finished products were placed on the ground not on the pallet.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
<b>4.3</b>	<b>Segregation of products</b>				
4.3.1	Is there effective segregation to minimize the risk of product cross-contamination taking into account the flow of product, nature of materials, equipment, personnel, waste, airflow, air quality, and utilities?	Deviation	Based on onsite observation, some waiting for inspection products and non-conforming products were placed confusedly, some non-conforming products were placed in waiting for inspection area and waiting for inspection products were placed in non-conforming storage area.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
<b>4.4</b>	<b>Staff facilities</b>				
4.4.1	Are staff facilities such as washrooms, canteens, and break areas designed and operated so as to minimize the risk of product contamination?	Full Compliance	Yes	Full Compliance	Yes
4.4.2	Are workers not allowed to have food, drink, or smoke at their work areas?	Full Compliance	Yes	Full Compliance	Yes
4.4.3	Where smoking is allowed under national law, are designated controlled smoking areas isolated from production areas to an extent that ensures smoke cannot reach the product?	Full Compliance	Yes	Full Compliance	Yes

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Clause #	Sectional Scope & Clause Requirements	Assessment Result	Audit Findings	Assessment Result	Audit Findings
4.4.4	Where specific work wear is required, are designated changing facilities provided for all personnel such as staff, visitors, or contractors?	Not Applicable	The products were garments, and no specific work wear was required.	Not Applicable	The products were garments, and no specific work wear was required.
4.4.5	Are suitable and sufficient hand-cleaning facilities provided at entrance and other appropriate points within production areas?	Full Compliance	Yes	Full Compliance	Yes
4.4.6	Any personal jewelry or other objects prohibited in the production areas for the risk of product contamination?	Full Compliance	Yes	Full Compliance	Yes
4.5	Cleaning and hygiene practices( Where applicable) Note: Auditors should make a judgment if this sub-section is applicable based on nature of the products				
4.5.1	Are cleaning practices completed so as to minimize risk of contamination?	Full Compliance	Yes	Full Compliance	Yes
4.5.2	Are cleaning, pest control, and process-aid chemicals suitably identified and controlled to prevent the risk of product contamination?	Full Compliance	Yes	Full Compliance	Yes
4.5.3	Where cleaning services are outsourced, do service providers have a signed contract which identifies the scope and frequency of the work and a logbook maintained as a record of work done?	Not Applicable	Cleaning services of the factory were not outsourced.Factory used water and debris fabric for internal cleaning.	Not Applicable	Cleaning services of the factory were not outsourced.Factory used water and debris fabric for internal cleaning.
4.5.4	Do documented cleaning procedures exist for the buildings, utilities, plant, and all equipment?	Full Compliance	Yes	Full Compliance	Yes
4.5.5	Do the documented cleaning procedures contain the following information: responsibility for cleaning, items or area to be cleaned, frequency of cleaning, method of cleaning, materials to be used, cleaning records and responsibility for verification?	Full Compliance	Yes	Full Compliance	Yes
4.5.6	Is cleaning and housekeeping carried out by trained personnel in accordance with documented procedures and records maintained?	Full Compliance	Yes	Full Compliance	Yes
4.6	Pest control				
4.6.1	Has the factory identified and controlled the risk of pest infestation on the site(by factory internal or external third party), through operation of pest control procedures?	Deviation	Based on document review and onsite observation, the factory established pest control procedure and conducted pest control. But the control was not sufficient, for example, there were no fly-killing lamps and rat-traps in the fabric warehouse between the sewing and cutting workshop and there were insects on the window.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed

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4.6.2	Does the factory have a clearly defined contract with external contractors which reflect the activities of the site, or have trained staff who undertake this responsibility?	Deviation	Based on document review, the factory did not provide pest control workers training records.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
4.6.3	Are inspection record for pest control maintained and complete?	Full Compliance	Yes	Full Compliance	Yes
4.6.4	Are bait stations robustly constructed, operational, and effective in eliminating the target pests?	Deviation	Based on document review and onsite observation, the factory established pest control procedure and conducted pest control. But the control was not sufficient, for example, there were no fly-killing lamps and rat-traps in the fabric warehouse between the sewing and cutting workshop and there were insects on the window.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
4.6.5	Are bait stations positioned to avoid potential contamination of materials and products? Are fly-killing devices and/or pheromone traps correctly sited and operational?	Full Compliance	Yes	Full Compliance	Yes
4.7	<b>Lighting and ventilation</b>				
4.7.1	Is there sufficient lighting in the factory, including the production floor, inspection areas, test areas, storage areas, maintenance areas, finishing and packing areas, etc?	Non Conformity	Based on onsite observation, light in these areas were not enough, such as light in finished products inspection area was 408Lux, light in cutting piece inspection area was 400Lux, light in cutting area was 267Lux, light in materials warehouse was 9lux.	Non Conformity	1st partial re-audit on Jul 16, 2019 result: Open. Based on onsite observation, light in these areas were not enough, such as light in finished products inspection area was 221Lux, light in cutting piece inspection area was 412Lux, light in cutting area was 429Lux, light in materials warehouse was 17lux.
4.7.2	Is the ventilation adequate to maintain product safety, legality, and quality at the production floor, inspection areas, test areas, storage areas, maintenance areas, finishing and packing areas, etc.?	Full Compliance	Yes	Full Compliance	Yes
4.8	<b>Contamination</b>				
4.8.1	Does the factory have control of the transport and storage of products, from delivery of raw materials and components, to finished product?	Deviation	Based on onsite observation, parts finished products were placed on the ground not on the pallet.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
4.8.2	Has the factory undertaken the necessary steps to identify and prevent the risks of foreign body contamination as identified by risk assessment including any contamination potentially introduced by the packaging?	Full Compliance	Yes	Full Compliance	Yes
4.8.3	Are tools and other sharp objects used in production controlled?	Non Conformity	Based on document review and onsite observation, the factory established sharp tools control but not strictly controlled. There were several idle and broken needles found on the workbench and ground in the sewing workshop.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed

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4.8.4	Where a metal or foreign body detector is required or specified by a customer, do documented procedures exist specifying its use, location, critical limits for detection, maintenance, and recording of results?	Full Compliance	Yes	Full Compliance	Yes
4.8.5	Where applicable are all needles under control without any spare needles unsecured?	Non Conformity	Based on document review and onsite observation, the factory established sharp tools control but not strictly controlled. There were several idle and broken needles found on the workbench and ground in the sewing workshop.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
4.8.5.1	If a needle is broken, is there a process for the replacement?	Deviation	Based on document review and onsite observation, the factory established sharp tools control but not strictly controlled. There were several idle and broken needles found on the workbench and ground in the sewing workshop.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
4.8.5.2	Is there is process to handle and account for all parts of a broken needle?	Non Conformity	Based on document review and onsite observation, the factory established sharp tools control but not strictly controlled. There were several idle and broken needles found on the workbench and ground in the sewing workshop.	Full Compliance	Yes1st partial re-audit on Jul 16, 2019 result: Closed
4.8.5.3	Does the factory retain all needle control records for a minimum of one year?	Full Compliance	Yes	Full Compliance	Yes
4.8.5.4	Is appropriate action taken when a needle is missing or fragments cannot be found?	Non Conformity	Based on document review and onsite observation, the factory established sharp tools control but not strictly controlled. There were several idle and broken needles found on the workbench and ground in the sewing workshop.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
4.8.6	Is the use of wood within raw material handling, preparation, processing, packing, and storage areas eliminated except when used in the product or for wooden pallets where associated risks have been evaluated and controlled?	Non Conformity	Based on document review, the factory did not conduct risk assessment for the wooden pallet.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
5	Product Control				
5.1	Reference Samples (Preproduction and Production Sample)				
5.1.1	Does the factory have a documented procedure to identify, select, categorize, handle, store, approve and use the reference samples (pre-production and production samples)?	Full Compliance	Yes	Full Compliance	Yes
5.1.2	Does the factory retain the samples which have been approved by the customer? If the customer approval is not possible, the sample representative of the agreed specification must be retained. (Note: Exception for those samples are physically very large or represent a very high cost, e.g., same style being produced in more than one line and/or one facility)	Full Compliance	Yes	Full Compliance	Yes

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5.1.3	Are the samples retained with defined retention period, and securely stored in suitable environmental conditions to maintain their original status?	Full Compliance	Yes	Full Compliance	Yes
5.2	Chemical Control				
5.2.1	A 'List of Approved Chemicals with Corresponding Brands / Manufacturers' should be maintained for the chemicals used as an ingredient or in contact with the products. The list can be in electronic format or in the computer system, e.g., ERP.	Full Compliance	Yes	Full Compliance	Yes
5.2.2	When chemicals are used as raw materials or ingredients, does the factory have documented procedure for managing, approving and controlling the engineering changes / product changes that may alter the chemical composition of the final product?	Full Compliance	Yes	Full Compliance	Yes
5.2.3	Is the use of any substances classified as dangerous or of very high concern, in the country of sale documented?	Full Compliance	Yes	Full Compliance	Yes
5.2.4	When chemicals are used as raw materials or ingredients, are test reports or certificates of compliance available to demonstrate any presence of hazardous substances / Substances of Very High Concern (SVHC) in all incoming materials and components are below the threshold value for the country of sale?	Not Applicable	The products were garments, and no chemicals were used as raw materials in the factory.	Not Applicable	The products were garments, and no chemicals were used as raw materials in the factory.
5.2.5	Does the factory test final products to ensure they are free of Hazardous Substances or SVHC are below the threshold value relating to the product safety regulations of the country in which the products are sold?	Non Conformity	Based on document review, the factory provided the third party test report, but the test report showed that high content of test failed.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
5.2.6	Are controlled storage facilities provided for all chemicals used in the factory site (including cleaning and pest control chemicals) as per the recommendations on the manufacturer label to avoid deterioration or degrade?	Full Compliance	Yes	Full Compliance	Yes
5.2.7	Are procedures, MSDS, description or diagram for the handling of chemicals available at the point of use?	Full Compliance	Yes	Full Compliance	Yes
5.2.8	Are segregation or other measures in place to avoid cross contamination or undesirable chemical reaction of chemical substances and/or preparations (e.g., acids and bases, flammables and oxidizers should not be stored together)?	Full Compliance	Yes	Full Compliance	Yes
5.2.9	Does the factory adopt 'First-in and First-out' logistic concept on its warehouse management for the chemicals with expiry date (i.e., materials with earlier expiry date should be used first)?	Full Compliance	Yes	Full Compliance	Yes

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5.2.10	Are the production equipment and devices inspected and cleaned regularly between batches to avoid cross contamination?	Full Compliance	Yes	Full Compliance	Yes
5.3	Product Packaging Materials				
5.3.1	Are packaging assessed for fitness for purpose and determined suitable with regard to the following?				
5.3.1.1	Protecting the product from damage;	Non Conformity	Based on onsite observation, parts finished products were placed on the ground not on the pallet.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
5.3.1.2	Maintaining the integrity of the product;	Full Compliance	Yes	Full Compliance	Yes
5.3.1.3	Protecting the consumer from injury; and	Full Compliance	Yes	Full Compliance	Yes
5.3.1.4	Preventing contamination	Non Conformity	Based on onsite observation, parts finished products were placed on the ground not on the pallet.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
5.3.2	Does the product packaging conform to an agreed and documented specification and legal requirements of the country of sale with regard to composition, recyclability?	Full Compliance	Yes	Full Compliance	Yes
5.3.3	Are packaging materials effectively protected before being returned to storage?	Full Compliance	Yes	Full Compliance	Yes
5.3.4	Where staples or other metal closures are used for packaging, are appropriate precautions taken to prevent the risk of contamination, damage or injury to the product or consumer?	Not Applicable	No staples or no metal part was used during the packing.	Not Applicable	No staples or no metal part was used during the packing.
5.4	Control of Non conforming Materials				
5.4.1	Does the factory establish documented procedures for the control of non-conforming materials and products, including rejection, segregation, acceptance by concession or re-grading for an alternative use?	Full Compliance	Yes	Full Compliance	Yes
5.4.2	Are the procedures understood by the authorized personnel and implemented effectively?	Full Compliance	Yes	Full Compliance	Yes
5.4.3	Are all non-conforming products and their packaging handled or disposed of according to the nature of the problem and/or the specific customer or legislative requirements?	Full Compliance	Yes	Full Compliance	Yes

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5.4.4	Are the records kept for the nonconformities and subsequent actions taken?	Full Compliance	Yes	Full Compliance	Yes
5.5	<b>Product Transport, Storage and Distribution</b>				
5.5.1	Are preventive measures (e.g., protection or suitable packaging) taken to ensure the transport, storage and distribution across the supply chain (from raw materials dispatch to finished product delivery) minimize the risk of contamination and damage?	Deviation	Based on onsite observation, parts finished products were placed on the ground not on the pallet.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
5.5.2	Is transportation in good repair and in a clean/hygienic condition?	Full Compliance	Yes	Full Compliance	Yes
5.5.3	Are vehicles loaded and unloaded in covered areas/bays to prevent the risk of contamination and damage?	Full Compliance	Yes	Full Compliance	Yes
5.5.4	Where the product needs specific environmental requirements to prevent degradation, are these conditions documented, maintained and monitored during the transportation, storage and distribution?	Not Applicable	There was no specific environmental requirements for the garments.	Not Applicable	There was no specific environmental requirements for the garments.
5.6	<b>Stock Control and Product Release</b>				
5.6.1	Does the factory establish a procedure ensuring only products conforming to specifications/defined quality are dispatched?	Full Compliance	Yes	Full Compliance	Yes
5.6.2	Are the procedures for products dispatch include the following?				
5.6.2.1	a) release by authorized personnel	Full Compliance	Yes	Full Compliance	Yes
5.6.2.2	b) all inspections and testing shall be successfully completed and documented to verify legislative and other defined requirements are met.	Full Compliance	Yes	Full Compliance	Yes
5.6.3	Where home-workers or subcontractors are used, are the same procedures for products dispatch (as Q5.6.1 & Q5.6.2) applied to the works/products done by home-workers or subcontractors?	Full Compliance	Yes	Full Compliance	Yes
5.6.4	Are controls for correct stock rotation in place to ensure materials and products used in the correct order and within the allocated shelf or usage life, where applicable?	Full Compliance	Yes	Full Compliance	Yes
6	<b>Product Testing and Product Claims</b>				
6.1	<b>Product Testing</b>				



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6.1.1	Does factory establish procedures to undertake or subcontract analyses / testing according to product type and intended retail market?	Full Compliance	Yes	Full Compliance	Yes
6.1.2	Does a documented testing plan exist which includes sample size, frequency, test method and pass/fail criteria for all tests on raw materials, work-in-process and finished products, to ensure that the final product meets customer requirements?	Full Compliance	Yes	Full Compliance	Yes
6.1.3	For those tests on finished products, which factory performs in-house (and does not utilize services of external accredited lab), does the in-house testing comply with the requirements of an approved Independent Laboratory Accreditation Standard or equivalent?  Note: This clause is applicable only for those tests on finished products, which factory performs in-house and does not utilize services of external accredited lab.	Full Compliance	Yes	Full Compliance	Yes
6.2	Product Claims				
6.2.1	Does factory undertake product testing or inspections to validate and verify any stated claims about a product specification, quality or performance?	Full Compliance	Yes	Full Compliance	Yes
7	Process Control				
7.1	Control of operations				
7.1.1	Are preproduction meetings undertaken prior to new or substantially changed products being produced, to evaluate and approve the processes?	Full Compliance	Yes	Full Compliance	Yes
7.1.2	In the event of deviation of the process from specification, is corrective action taken and recorded?	Full Compliance	Yes	Full Compliance	Yes
7.2	Control of incoming components and raw materials				
7.2.1	Are there documented approval procedures for raw materials and incoming goods, which assure conformance to agreed specifications, requirements and documented positive batch release including compliance to safety and regulatory requirements for the country in which the products will be sold?	Full Compliance	Yes	Full Compliance	Yes
7.2.2	Is there evidence of the inspection status of incoming components and raw materials?	Deviation	Based on onsite observation, parts fabric were not labeled with receiving date, batch number, quantity, inspection status, supplier information, all materials' labels were without supplier information.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
7.2.3	Do the incoming goods procedures cover subcontracted work and work performed outside of the primary site?	Full Compliance	Yes	Full Compliance	Yes

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7.3	Calibration and control of measuring and monitoring devices				
7.3.1	Has all equipment used in accept or reject activity been effectively calibrated?	Deviation	Based on document review and onsite observation, the factory did not provide calibration reports for the three electronic scales in the cotton filling workshop.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
7.3.2	Are records of the results of calibration and verification maintained for a suitable period taking account of the life of the products being produced?	Deviation	Based on document review and onsite observation, the factory did not provide calibration reports for the three electronic scales in the cotton filling workshop.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
7.3.3	Are procedures in place for actions to be taken if equipment is found not to be operating within specified tolerances and/or limits?	Non Conformity	Based on document review and onsite observation, the factory did not provide calibration reports for the three electronic scales in the cotton filling workshop.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
7.4	Equipment and tooling maintenance				
7.4.1	Is equipment properly specified before use and operating parameters for production equipment and tooling determined, validated, and implemented as part of the control plan?	Full Compliance	Yes	Full Compliance	Yes
7.4.2	Is there a documented system for planned maintenance covering all items of equipment and plant which are critical to product safety, legality, and quality?	Full Compliance	Yes	Full Compliance	Yes
7.4.3	Are preventative maintenance schedules or cycles documented and on schedule?	Full Compliance	Yes	Full Compliance	Yes
7.4.4	Are engineering and maintenance workshops controlled to prevent contamination risks to the product, and organized, clean and tidy to allow safe, efficient, and good-quality work?	Full Compliance	Yes	Full Compliance	Yes
7.4.5	Do machines, equipment, fixtures, tools and measurement equipment appear to be clean in good condition and well maintained?	Deviation	Based on document review and onsite observation, the factory did not provide calibration reports for the three electronic scales in the cotton filling workshop.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
7.5	Final product packing and control				
7.5.1	Do procedures exist to specify and control the packing of finished product, taking into account customers requirements?	Full Compliance	Yes	Full Compliance	Yes

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7.5.2	Has the factory verified that the information shown on primary (consumer) package labels including bar codes and outer cartons are correct and meet the customer specification, regulatory and safety requirements of the region of intended sale?	Full Compliance	Yes	Full Compliance	Yes
7.6	Random Inspections				
7.6.1	Are in-line inspections carried out during assembly of the product	Full Compliance	Yes	Full Compliance	Yes
7.6.2	Procedures shall be in place to randomly sample and inspect work-in-process according to customer or internal IPQC requirements.	Full Compliance	Yes	Full Compliance	Yes
7.6.3	Products shall be inspected for appearance, size, color and workmanship prior to packing as per customer or internal requirements.	Full Compliance	Yes	Full Compliance	Yes
7.6.4	Product standards and guidelines shall be available and used by inspectors.	Full Compliance	Yes	Full Compliance	Yes
7.7	Industry Module				
7.7.1	Incoming Material Inspection				
7.7.1.1	Shades of fabric and yarn shall be checked against approved standard to verify they are within tolerance (conducted under approved light source).	Full Compliance	Yes	Full Compliance	Yes
7.7.1.2	Fabrics shall be inspected according to 4-point, 10-point, or specified system before cutting.	Deviation	Based on document review and workers interview, the factory took four point inspection standards for the fabric, but the fabric inspection workers did not understand the implementation of the four point inspection and could not explain inspection records data sources, inspection records were not recorded according to the regulations of the four point inspection.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
7.7.1.3	Procedures shall be in place to check shade matching and color to trim on each dye lot.	Full Compliance	Yes	Full Compliance	Yes
7.7.1.4	Trims and accessories from each dye lot shall be tested and visually inspected against standards and approved samples before use in production	Deviation	Based on document review and workers interview, the factory established accessories inspection standards, but the inspection workers did not understand sampling and inspection standard, they only checked the order quantity not for quality and also did not provide the inspection records of 2019.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed

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Clause #	Sectional Scope & Clause Requirements	Assessment Result	Audit Findings	Assessment Result	Audit Findings
7.7.1.5	Materials shall have independent test certificates to assure conformity with destination market and/or customer requirements regarding phthalates. <b>(This clause is applicable only to soft toys products only)</b>	Not Applicable	The factory did not produce soft toys. so it was not applicable.	Not Applicable	The factory did not produce soft toys. so it was not applicable.
7.7.2	Sample Development and Pre-production Plan				
7.7.2.1	Patterns (whenever applicable), pre-production and size set (whenever applicable) samples shall be reviewed and checked against approved specifications, construction requirements and design details.	Deviation	Based on onsite observation, parts paper patterns were without assessment date and authorized person signing.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
7.7.2.2	Are initial samples made in the factory?	Full Compliance	Yes	Full Compliance	Yes
7.7.2.3	Are production samples made in the factory?	Full Compliance	Yes	Full Compliance	Yes
7.7.2.4	Are samples checked systematically?	Full Compliance	Yes	Full Compliance	Yes
7.7.2.5	Are bulk fabrics / yarns checked for shrinkage?	Full Compliance	Yes	Full Compliance	Yes
7.7.2.6	Are equipment facilities adequate in the sample room?	Full Compliance	Yes	Full Compliance	Yes
7.7.2.7	Is a dummy fitting form available in the sample room?	Deviation	Based on onsite observation and management interview, there were no children's body models in the sample room.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
7.7.2.8	Prototypes shall be made from representative materials in approval forms for identifying potential hazard problems (i.e. sharp points, sharp edges, finger entrapment etc.) <b>(This clause is applicable only to soft toys products only)</b>	Not Applicable	The factory did not produce soft toys. so it was not applicable.	Not Applicable	The factory did not produce soft toys. so it was not applicable.
7.7.3	Markers, Patterns, Cutting, and Fusing				
7.7.3.1	Paper pattern and markers (whenever applicable) shall be checked and approved prior to cutting.	Deviation	Based on onsite observation, parts paper patterns were without assessment date and authorized person signing.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
7.7.3.2	Procedures and controls for spreading process shall be in place based upon fabric properties. Relaxation time and spread height shall be appropriate for the material being spread.	Deviation	Based on document review and onsite observation, the fabric should be loosed for 24 hours, but no specific time was recorded only the start date was recorded, it was unable to determine whether they implemented according to the regulations.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
7.7.3.3	Fabrics/yarns shall be cut according to dye/shade lot.	Full Compliance	Yes	Full Compliance	Yes
7.7.3.4	White/light colors shall be cut separately from darker shade fabrics/yarn.	Full Compliance	Yes	Full Compliance	Yes

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7.7.3.5	When necessary, is each cut piece individually ticketed with data to give total traceability?	Non Conformity	Based on onsite observation and management interview, cut pieces were not ticked with data individually.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
7.7.3.6	Cut panels shall be checked against marker using top, middle and bottom panels from the cut panel blocks. (This clause is applicable for Apparel only)	Deviation	Based on document review, management and workers interview, the factory only conduct top and bottom inspection for the cutting pieces not for the top, middle and bottom inspection.	Deviation	1st partial re-audit on Jul 16, 2019 result: Open. Based on document review, management and workers interview, the factory had established the procedure for cutting pieces inspection requirements and the workers would check the cutting pieces for the top,middle and bottom,but parts inspection records could not reflect that workers had checked the cutting pieces for the top,middle and bottom inspection.
7.7.3.7	Cut panel replacement procedures shall be in place to replace defective panels with fabric from the same dye lot or shade.	Full Compliance	Yes	Full Compliance	Yes
7.7.3.8	Fusing quality shall be monitored through periodic testing of temperature and bond strength with records maintained.	Not Applicable	No fusing process in the factory, so it was not applicable.	Not Applicable	No fusing process in the factory, so it was not applicable.
7.7.4	Sewing, Knitting, and Linking				
7.7.4.1	Sewing lines shall be organized in accordance with process flow, with work instruction.	Full Compliance	Yes	Full Compliance	Yes
7.7.4.2	Random measurement inspection at end of the sewing line shall be carried out.	Full Compliance	Yes	Full Compliance	Yes
7.7.4.3	Operators of knitting machines shall have approved written procedures explaining the knitting sequence, the amount of weights required for each style, courses/inch, wales/inch, panel width and height when using hand frame machines. Automatic knitting machines shall be properly set per instructions.	Not Applicable	No knitting machines in the factory, so it was not applicable.	Not Applicable	No knitting machines in the factory, so it was not applicable.
7.7.4.4	When necessary, are shade lots separated by a colour continuity system?	Full Compliance	Yes	Full Compliance	Yes
7.7.4.5	Are approved samples displayed in the sewing room?	Full Compliance	Yes	Full Compliance	Yes
7.7.4.8	Does the factory have a system to manage the labels and hangtags?	Full Compliance	Yes	Full Compliance	Yes
7.7.5	Wet Processing (N/A if No Wet Processing)				
7.7.5.1	Each wash batch shall be inspected and approved for shade variation against approved shade band under an approved light source.	Not Applicable	There was no Wet Processing in the factory, so it was not applicable.	Not Applicable	There was no Wet Processing in the factory, so it was not applicable.

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7.7.5.2	Each batch shall be inspected for critical measurement prior to and after washing.	Not Applicable	There was no Wet Processing in the factory, so it was not applicable.	Not Applicable	There was no Wet Processing in the factory, so it was not applicable.
7.7.5.3	Products shall be weighed to ensure the correct quantity of detergent is being calculated and used in accordance with the washing formula.	Not Applicable	There was no Wet Processing in the factory, so it was not applicable.	Not Applicable	There was no Wet Processing in the factory, so it was not applicable.
7.7.5.4	Controls shall be in place to ensure that processing cycle times, temperature, and pH are accurately controlled.	Not Applicable	There was no Wet Processing in the factory, so it was not applicable.	Not Applicable	There was no Wet Processing in the factory, so it was not applicable.
7.7.5.5	Control and procedures shall be in place to ensure that color, effect and hand feel standards, as well as other aesthetic properties and standards are met.	Not Applicable	There was no Wet Processing in the factory, so it was not applicable.	Not Applicable	There was no Wet Processing in the factory, so it was not applicable.
7.7.5.6	Testing shall be conducted on a routine basis to ensure the quality of the water and steam is acceptable and will not cause stains or adversely affect the formula.	Not Applicable	There was no Wet Processing in the factory, so it was not applicable.	Not Applicable	There was no Wet Processing in the factory, so it was not applicable.
7.7.5.7	Are handfeel and appearance samples available in this section?	Full Compliance	Yes	Full Compliance	Yes
7.7.5.8	Is a light inspection carried out before washing?	Not Applicable	There was no Wet Processing in the factory, so it was not applicable.	Not Applicable	There was no Wet Processing in the factory, so it was not applicable.
7.7.5.9	Is a light inspection carried out after washing?	Not Applicable	There was no Wet Processing in the factory, so it was not applicable.	Not Applicable	There was no Wet Processing in the factory, so it was not applicable.
7.7.6	<b>In-process Control/Testing</b>				
7.7.6.1	Set-up instruction sheets shall be present at each embroidery machine. Thread tension shall be monitored with records kept.	Not Applicable	There was no embroidering in the factory. The embroidering process was outsourced to Ningjin Senya Embroidery Factory,so it was not applicable.	Not Applicable	There was no embroidering in the factory. The embroidering process was outsourced to Ningjin Senya Embroidery Factory,so it was not applicable.
7.7.6.2	Products or components being produced at sub-contracted facilities or the outsource of washing, embroidery, printing, snap and fastener attachment processes etc. shall be inspected after goods are returned from the sub-contractor.	Full Compliance	Yes	Full Compliance	Yes
7.7.6.3	Controls shall be in place for all critical machine, thread and needle settings base on fabric types and style.	Full Compliance	Yes	Full Compliance	Yes

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7.7.6.4	Seconds and overruns products shall be handled as per customer requirements.	Full Compliance	Yes	Full Compliance	Yes
7.7.6.5	Testing for attachment security shall be carried out according to customer requirements or internal standards as appropriate.	Full Compliance	Yes	Full Compliance	Yes
7.7.6.6	Filled products (cushions, comforters, filled jackets, etc.) should be tested for flammability and must comply with the safety requirements where the products are sold, as applicable.	Full Compliance	Yes	Full Compliance	Yes
7.7.6.7	Filled products being exported to US should have a Law label sewn on to the product.	Full Compliance	Yes	Full Compliance	Yes
7.7.6.8	Opening and mixing of filling components in Blended filling materials.	Full Compliance	Yes	Full Compliance	Yes
7.7.6.9	In filling / stuffing section, factory shall take steps to ensure that no paper, polythene, floor sweepings or other contaminants, e.g. dust, are mixed in with the filling / stuffing material.	Full Compliance	Yes	Full Compliance	Yes
7.7.6.10	Procedures or W/I for controlling weight of stuffing is per product specification or customer requirement.	Deviation	Based on document review and management interview, filling weight regulation was posted onsite and the factory also conducted weight for the filling parts, but they did not record weight of the filling parts.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
7.7.6.11	Fire Resistant fabric/filling (fibers) material shall have independent test certificates, and shall be segregated from non Fire Resistant Fabric/Filling (fibers) Material. (This clause is applicable only to soft toys products only)	Not Applicable	The factory did not produce soft toys. so it was not applicable.	Not Applicable	The factory did not produce soft toys. so it was not applicable.
7.7.8	<b>Finishing and Pressing</b>				
7.7.8.1	Trimming shall be conducted according to customer requirements or internal standards.	Full Compliance	Yes	Full Compliance	Yes
7.7.8.2	Pressing shall be carried out according to customer requirements or internal standards as appropriate.	Full Compliance	Yes	Full Compliance	Yes
7.7.8.3	Controls shall be in place to ensure proper cleaning equipment and cleaning agents are applied to different stain types.	Full Compliance	Yes	Full Compliance	Yes

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7.7.8.4	Products shall be separated into shades prior to packing per customer requirements or internal standards whichever is applicable.	Full Compliance	Yes	Full Compliance	Yes
7.7.8.5	Is a conveyor-belt-type metal detector used?	Full Compliance	Yes	Full Compliance	Yes
7.7.8.6	Before any finished goods can be passed through the metal detector, are "checking tests" carried out using the nine-point system?	Full Compliance	Yes	Full Compliance	Yes
7.7.8.7	Does the factory conduct 100% metal detection?	Full Compliance	Yes	Full Compliance	Yes
7.7.8.8	Does the factory have a "metal-free" area?	Full Compliance	Yes	Full Compliance	Yes
<b>8</b>	<b>Personnel Training and Competency</b>				
8.1	Does the factory establish training procedures?	Full Compliance	Yes	Full Compliance	Yes
8.2	Does the factory determine necessary competence for personnel performing work impacting product safety, legality and quality?	Full Compliance	Yes	Full Compliance	Yes
8.3	Does the factory regularly identify training needs (including refresher training) for personnel performing work that affects product safety, legality and quality?	Non Conformity	Based on document review, the factory established training procedure and provided training for some workers, but the training effect was not good and the factory failed to timely identification. The fabric inspection workers were not familiar with four point inspection standards, accessories inspection workers were not familiar with sampling and inspection standards, metal detection workers were not familiar with nine-point system and did not conduct nine-point inspection before metal detection.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
8.4	Are personnel performing work that affects product safety, legality and quality (including temporary personnel and contractors) appropriately trained and instructed prior to commencing work and adequately supervised throughout the working period?	Deviation	Based on document review, the factory established training procedure and provided training for some workers, but the training effect was not good and the factory failed to timely identification. The fabric inspection workers were not familiar with four point inspection standards, accessories inspection workers were not familiar with sampling and inspection standards, metal detection workers were not familiar with nine-point system and did not conduct nine-point inspection before metal detection.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed



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8.5	Are the personnel, who have a direct effect on the safety, quality or legality of products, trained to ensure understanding of risk assessment procedures or outcomes as necessary for their activity?	Non Conformity	Based on document review, workers conducting risk assessments were not formally trained.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed
8.6	Are the effectiveness of trainings evaluated?	Full Compliance	Yes	Full Compliance	Yes
8.7	Are up-to-date training records stored in a secure way such that privacy of personnel is protected?	Full Compliance	Yes	Full Compliance	Yes
8.8	Are the personnel performing work that affects product safety, legality and quality demonstrably competent to carry out their activity?	Deviation	Based on document review, the factory established training procedure and provided training for some workers, but the training effect was not good and the factory failed to timely identification. The fabric inspection workers were not familiar with four point inspection standards, accessories inspection workers were not familiar with sampling and inspection standards, metal detection workers were not familiar with nine-point system and did not conduct nine-point inspection before metal detection.	Full Compliance	1st partial re-audit on Jul 16, 2019 result: Closed



## Corrective Action Plan (CAP) Report

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment

<b>Factory Name:</b>	Lincheng Yongtai Garment Co., Ltd.	<b>Factory Representative Name and Signature:</b>	Li Jianqiang	<b>Auditor Signature:</b>	Ivy Qu
<b>Address:</b>	East of the Northern Part of Zhongxing Road, Lincheng Economic Development Zone, Hebei Province				
<b>Report number:</b>	JSASCN19768776	<b>Auditor Name:</b>	Ivy Qu		
<b>Audit Type:</b>	1st Partial Re-Audit	<b>CAP Desktop Review done by:</b>			
<b>Audit Date:</b>	Jul.16, 2019	<b>Evidence Reviewed by:</b>			
<b>Factory Comments (if any):</b>		Nil			



To be Completed by 3rd party - within 5 working days from Audit Date				To be Completed by Factory - within 10 calendar days from Audit Report Issued Date			To be Completed by 3rd Party - within 2 working days from the receipt of CAPA from Factory		CAP Evidence Collection - To be Completed within 30 calendar days from last audit date		
1	2	3	4	5	6	7	8	9	10	11	12
Clause No.	Original Clause Requirement	Level of Non-Conformance	Audit Findings	Corrective Action Plan	Responsible Persons	Due Date	Agreement with factory or Comments for Revision	Objective Evidences Required	Objective Evidences	CAPA Validation Results	Remarks
2.2.5	Does the factory conduct a Process Risk Assessment of hazards potentially introduced during the production, packaging or storage processes?	MINOR	1st partial re-audit on Jul 16, 2019 result: Open. Based on document review,the factory did not provide records of monitoring and reviews for process risk assessment.								
2.2.7.6	Records of monitoring & reviews	MODERATE	1st partial re-audit on Jul 16, 2019 result: Open. Based on document review,the factory did not provide records of monitoring and reviews for process risk assessment.								
4.7.1	Is there sufficient lighting in the factory, including the production floor, inspection areas, test areas, storage areas, maintenance areas, finishing and packing areas, etc?	MINOR	1st partial re-audit on Jul 16, 2019 result: Open. Based on onsite observation, light in these areas were not enough, such as light in finished products inspection area was 221Lux, light in cutting piece inspection area was 412Lux, light in cutting area was 429Lux, light in materials warehouse was 17lux.								
7.7.3.6	Cut panels shall be checked against marker using top, middle and bottom panels from the cut panel blocks. (This clause is applicable for Apparel only)	MODERATE	1st partial re-audit on Jul 16, 2019 result: Open. Based on document review, management and workers interview, the factory had established the procedure for cutting pieces inspection requirements and the workers would check the cutting pieces for the top,middle and bottom,but parts inspection records could not reflect that workers had checked the cutting pieces for the top,middle and bottom inspection.								



Version 03 - 18 FEB 2019

Costco Pre-Audit Questionnaire (PAQ)

Instruction:

1. Supplier/Factory representatives must complete all the required fields (highlighted in yellow), put NA if not applicable
2. Supplier/Factory shall provide accurate information to represent the factory to be audited. SGS Auditor will verify during the audit.
3. Supplier/Factory need to submit this completed PAQ to SGS Coordinator at least 5 days before confirmed audit date.

6. Production Capabilities

In case of power shortage, is back-up generator in place?

Yes

If yes, how many and what is the capacity of each generator?

6.1 List of Major Machinery / Utilities

Machinery	Type	Quantity	Condition
Example: Sewing Machines	Sanyo/Nanada	100	Fully operational
Sewing Machines 工业缝纫机	YM-1800M	180	Fully operational
超声波	6180	5	Fully operational
压布机	CH-B	10	Fully operational
电脑裁床	2000C3-F	12	Fully operational
烫斗机	9420	19	Fully operational
烫台	Mar-00	20	Fully operational
烫斗		6	Fully operational

6.2 List of Process being subcontracted

Process Subcontracted

Printing: Hebei Chenyang Printing Factory  
 Embroidery: Ningxin Senya Embroidery Factory

6.3 List of All Main Materials used in past 12 months

Material Name	Imported (Y/N)	Country of Origin
Fabric	N	China
Cotton	N	China
Accessory	N	China
Packing materials	N	China

7. Management Systems and Accreditation

(please attach copies of each)

Accreditation		Certifying Body	Date	Expiry
ISO 9001	No			
ISO 14001	No			
BRC Standard - Consumer Products	No			

Others (please specify):

Is product certification done in terms of selling destination

(e.g. UL for US, CCC for China, CE for Europe...) at the factory?

If yes, please specify

Certifying Body Date Expiry

8. Quality Control Management

Are QA/QC inspectors independent of production?

Yes

Who does the QA/QC Manager/Supervisor report to?

GM

How many QA/QC in total?

28

Name & Signature of Supplier Representative/Title

COMPANY CHIEF

Date

Name & Signature of Factory Representative/Title

COMPANY CHIEF

Date




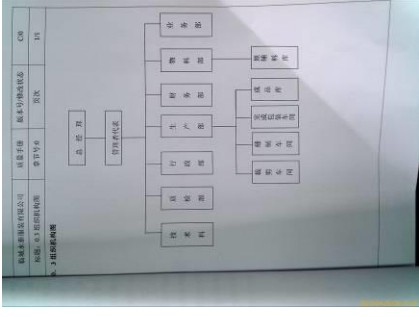










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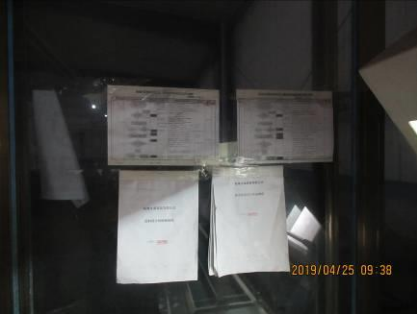









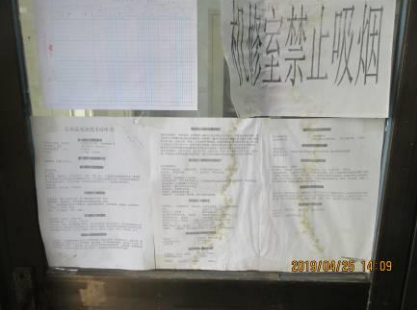
DIGITAL PHOTO FORM

Report No.	JSASCN19276061/ JSASCN19768776
Factory	Lincheng Yongtai Garment Co., Ltd.
Audit Date	Apr.25-26,2019/ Jul.16,2019

		
<p>Photo 1) Factory gate</p>	<p>Photo 2) Factory name</p>	<p>Photo 3) Business license</p>
		
<p>Photo 4) Organization chart</p>	<p>Photo 5) Production building</p>	<p>Photo 6) Office building</p>
		
<p>Photo 7) Raw-material warehouse</p>	<p>Photo 8) Cutting</p>	<p>Photo 9) Sewing</p>
		
<p>Photo 10) Ironing</p>	<p>Photo 11) Inspection</p>	<p>Photo 12) Packing</p>










DIGITAL PHOTO FORM

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<p>Photo 13) Fabric inspecting machine</p>	<p>Photo 14) WI for fabric inspection</p>	<p>Photo 15) Non-conforming area for incoming materials</p>
		
<p>Photo 16) Metal detection machine</p>	<p>Photo 17) Sharp storage box</p>	<p>Photo 18) Calibration Test Card (1.0MM)</p>
		
<p>Photo 19) Box for Non-conforming</p>	<p>Photo 20) Finished goods warehouse</p>	<p>Photo 21) Reference sample in sewing</p>
		
<p>Photo 22) Plotter paper</p>	<p>Photo 23) Machine oil</p>	<p>Photo 24) MSDS onsite</p>









DIGITAL PHOTO FORM

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<p><b>Photo 25) Light box</b></p>	<p><b>Photo 26) The body form in sample making room.</b></p>	<p><b>Photo 27) Sufficient light in sewing process 262lux</b></p>
		
<p><b>Photo 28) NC: Fabric were not labeled.</b></p>	<p><b>Photo 29) NC: Materials' labels were without supplier information.</b></p>	<p><b>Photo 30) NC: Non-conforming products were placed in waiting for inspection area and waiting for inspection products were placed in non-conforming storage area.</b></p>
		
<p><b>Photo 31) NC: Insects on the window.</b></p>	<p><b>Photo 32) NC: Insufficient light in finished products inspection area was 408Lux</b></p>	<p><b>Photo 33) NC: Insufficient light in cutting piece inspection area was 400Lux</b></p>

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<p><b>Photo 34) NC: Insufficient light in cutting area was 267Lux</b></p>	<p><b>Photo 35) NC: Insufficient light in materials warehouse was 9lux</b></p>	<p><b>Photo 36) NC: Finished products were placed on the ground not on the pallet.</b></p>
		
<p><b>Photo 37) NC: No calibration reports for electronic scales in the cotton filling workshop</b></p>	<p><b>Photo 38) NC: Paper patterns were without assessment date and authorized person signing.</b></p>	<p><b>Photo 39) NC: No specific time was recorded.</b></p>
		<p style="text-align: center;">Nil</p>
<p><b>Photo 40) NC: Idle and broken needles found on the workbench and ground in the sewing workshop.</b></p>	<p><b>Photo 41) NC: Idle and broken needles found on the workbench and ground in the sewing workshop.</b></p>	<p><b>Photo 42) Nil</b></p>

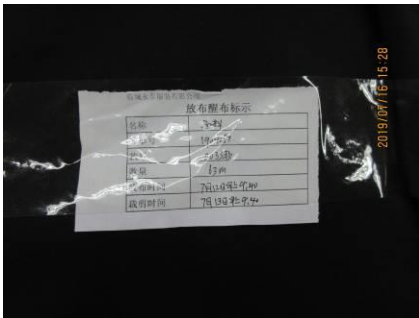








1st Partial Re-Audit on Jul 16, 2019

		
<p>Photo 1) Factory gate</p>	<p>Photo 2) Factory name</p>	<p>Photo 3) Fabric were labeled.</p>
		
<p>Photo 4) Materials' labels with supplier information.</p>	<p>Photo 5) Non-conforming products were placed in non-conforming storage area.</p>	<p>Photo 6) Window was clean and without insert.</p>
		
<p>Photo 7) Calibration reports for electronic scales in the cotton filling workshop</p>	<p>Photo 8) Paper patterns with assessment date and authorized person signing.</p>	<p>Photo 9) Finished products were placed on the pallet.</p>

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<p>Photo 10) Specific time was recorded on the relaxation records.</p>	<p>Photo 11) Rat-traps in the fabric warehouse</p>	<p>Photo 12) Fly-killing lamps in the fabric warehouse</p>
		
<p>Photo 13) NC: Insufficient light in finished products inspection area was 221Lux</p>	<p>Photo 14) NC: Insufficient light in cutting area was 429Lux</p>	<p>Photo 15) NC: Insufficient light in cutting piece inspection area was 412Lux</p>
	<p>Nil</p>	<p>Nil</p>
<p>Photo 16) NC: Insufficient light in materials warehouse was 17lux.</p>	<p>Photo 17) Nil</p>	<p>Photo 18) Nil</p>