

Chapter 4 – Supplier Certification

Overview

Introduction This section describes and explains the supplier certification policies of Kahn Lucas, Inc.

In this Chapter The topics described in this chapter are located as indicated below:

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Supplier Certification Program	4-2

Supplier Certification Program

Introduction This section describes the apparel supplier certification program for Kahn Lucas, Inc.

In this Section The topics described in this section are located as indicated below:

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General Information on Apparel Supplier Certification

Introduction

Kahn Lucas, Inc. owns no manufacturing facilities. We are dependent on our suppliers of raw materials and finished products to manufacture defect free merchandise. The selection of the proper suppliers is essential to our success and continuous improvement. Supplier evaluation and certification enables our company to determine the capabilities of our suppliers and make informed decisions. The process of certification also supports our strategy of creating supplier partnerships, consolidating our supplier base, and rewarding the best performers with additional business.

Purpose

The purpose of supplier certification includes:

1. Ensuring the integrity and improving the value of KL products.
 2. Advancing consumer loyalty and satisfaction by evaluating product conformity to Kahn Lucas's image, design, and standards.
 3. Defining and communicating the processes and requirements that will establish and determine the performance of our suppliers.
 4. Ensuring suppliers have established and will maintain quality systems with emphasis on minimized variation and continuous improvement.
 5. Ensuring that products and services provided by KL are consistent, on time, in the right quantity, at the lowest possible total cost and meet all quality requirements and specifications.
 6. Ensuring that a Supplier's Human Rights Policy is in compliance with Kahn Lucas's guidelines and standards of engagement.
 7. Ensuring the financial stability of a supplier.
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Goals and Objectives

The goals and objectives of certification include:

1. Achieve total customer satisfaction.
 2. Improving quality and productivity of processes and products.
 3. Receiving 100% first quality products.
 4. Reducing material costs.
 5. Ensuring on-time delivery.
 6. Reducing inventory.
 7. Identifying and developing partnerships with suppliers demonstrating the capability to independently ensure defect free products.
 8. Improving communications.
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Benefits of Certification

Supplier Benefits The supplier benefits of certification include:

1. More orders.
 2. Expanded technical capabilities.
 3. More stable forecasts.
 4. Scheduling flexibility.
 5. Technical assistance.
 6. Involvement in new product development.
 7. Improved employee relations.
 8. Accelerated / efficient processing of invoices.
-

KL Benefits The supplier benefits of certification include:

1. Responsiveness to market changes.
 2. Reduced delivery time.
 3. Prompt handling of technical problems.
 4. Innovative products.
 5. Increased supplier support.
 6. Cost reduction.
 7. Innovative suppliers.
 8. Reduced lead times.
 9. Reduced inspections.
 10. Fewer suppliers.
-

Mutual Benefits The mutual benefits of certification include:

1. Long-term relationships.
 2. Mutually acceptable specifications and requirements.
 3. Reduced waste and rework.
 4. Improved efficiency.
 5. Reduced inventory.
 6. Reduced administrative costs.
 7. Improved control.
 8. Financial incentives and cost reductions.
 9. Customer satisfaction.
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Apparel Certification Policy

Introduction This section describes the certification requirements, supplier responsibility and evaluation.

In this Section The topics described in this section are located as indicated below:

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Apparel Supplier Certification Requirements

Supplier Requirements:

The supplier must perform the following tasks to meet the certification requirements, which include:

1. Comply with KL Human Rights guidelines and Standards of Engagement
 2. Demonstrate, to KL, systems and process controls have been implemented to ensure 100% conformance to KL requirements and consistent control of the product quality
 3. Have measurement and testing systems to verify controls are satisfactory and agree to provide test data and process information when requested
 4. Have an effective quality management system geared to continuous improvement
 5. Have demonstrated the ability to ship Kahn Lucas product on time
 6. Develop partnerships with material suppliers to ensure incoming material quality
 7. Provide technical specifications, education, and service for products and services provided
 8. Maintain a customer service function that is prepared to respond to any and all customer needs
 9. Agree to ship only defect free product
 10. Demonstrate ability to continuously ship defect free product
 11. Exhibit financial stability
 12. Demonstrate appropriate implementation of:
 - a. Fabric Inspection and Testing
 - b. Trim Inspection and Testing
 - c. Pre-Production Activities
 - d. Maintenance and Housekeeping Procedures
 - e. Technical and Quality Controls
 - f. In-Process Inspection and Controls
 - g. Packaging Requirements
 - h. Final Auditing Procedures
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Apparel Supplier Responsibility and Evaluation

Responsibility

Since KL will not routinely test product from a certified supplier, the supplier must assume agreed upon responsibility for any process or quality problems, and any related costs resulting from products shipped which:

1. Do not meet the agreed upon specifications.
 2. Are not delivered on time.
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Evaluation

The Process Controllers will periodically visit each factory/supplier. During the visit, a Process Control Checklist will be used to assess progress. The checklist will serve as the guidelines for Certification Audit. This information will be reviewed with the supplier on an individual basis.

Process Controller's Check List

NAME OF SUPPLIER:	DATE:
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Fabric Inspection and Testing	Implemented (Yes/No)	Comments
Fabric inspection machine in place with Cool White lighting		
AQL sampling plan used to select rolls for inspection		
4 point system used for fabric inspection and inspection reports clearly filled out.		
Shade variation checked on selected rolls at side/center/side and end/end using a 2,4,1,3 method.		
Fabric width checked at 3 points on selected rolls to ensure consistency of fabric width.		
Skew test done on selected rolls per recognized standard.		
Fabric weight checked by dye lot for knitwear using punch cutter		
Above weighing scale calibrated and checked by 3rd party laboratory and report or sticker available for verification.		
Shrinkage test done on selected or on all rolls based on type of fabric (e.g. Lycra) or garment after treatment.		
Fabric shade grouping done by dye lot for non-wash product and on 100% of the rolls for indigo and piece dyed fabric		
In-house lab available to perform basic testing with light box and dark room.		
AATCC replicas available for seam smoothness, crease retention and fabric smoothness when producing care free product.		
Mill inspection and test reports available and cross checked during inhouse inspection and testing.		
Written procedure for fabric inspection and testing process available and used by relevant associates.		

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Process Controller's Check List, Continued

Trim inspection and testing	Implemented (Yes/No)	Comments
Information pertaining to trims such as trim spec sheet, purchase order and UPC data sheet is available for use during receiving audits.		
Receiving quality audit of sewing trims such as thread, zipper and buttons done per AQL 2.5 tightened level double sampling plan and inspection reports clearly filled out.		
Receiving quality audit of all labels, hang tags, flashers, UPC size stickers, pre-pack stickers, leg stickers etc per AQL 0.4 single sampling plan and inspection reports clearly filled out.		
In-house testing for color fastness on sewing trims such as thread, zipper, seam binding, pocketing, buttons and rivets etc based on after treatment process or care instructions and test reports available.		
Quick check barcode scanner used to check accuracy of barcodes of UPC size stickers and pre-pack stickers and scanner is calibrated on a routine basis.		
Pre-shrinking of elastic, tapes etc prior to cut and sew		
Weighing scale used to check quantity received calibrated by 3 rd party laboratory and report or sticker available for verification.		
Random inspection of packaging materials such as hangers (shake test), poly bags and cartons for quality, color, size and strength.		
Trim card prepared and approved by responsible officer and distributed to relevant areas.		
Written procedure for trim inspection and testing process available and used by relevant associates.		

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Process Controller's Check List, Continued

Pre-Production Controls	Implemented (Yes/No)	Comments
Product development capabilities, such as developing a Proto Sample using only a sketch and measurement page.		
Proto Sample evaluated and documented using a proper format and complete package sent to KL for approval along with tracing and mock-ups if applicable.		
Counter Sample evaluated and documented using a proper format and complete package sent to KL for approval along with tracing and mock-ups if applicable.		
In-house computer pattern making, grading and marker making (CGM) available and all patterns from each stage saved in an organized manner.		
Calibration of plotters on a routine basis and records available for review.		
Pre-Production Pilot Lot (Size Set) evaluated, approved locally and comments documented using a proper format prior to cutting bulk production.		
Sealed bag sample extracted from Pre-Production Pilot Lot (Size Set) and issued for production [for washed product, an unwashed garment is approved for sewing line reference - see sewing line controls].		
Pre-Production meeting held for each style and all points discussed and agreed documented as meeting minutes in a proper format for follow-up in production. Minutes are distributed to all relevant areas.		
Mannequins or KL approved in-house models used for fit evaluation during pre-production and production stages.		
Written procedure for pre-production process available and used by relevant associates.		

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Process Controller's Check List, Continued

Cutting Quality, Production and Maintenance Controls	Implemented (Yes/No)	Comments
Illumination level over cutting tables are adequate (minimum 100 foot candles or 1000 LUX)		
Regular preventive and corrective maintenance procedures in place for automatic and/or manual cutting machines have routine preventive maintenance procedures in place.		
Marker placement and number of pieces, parts, direction of pattern etc are checked and errors recorded using a report.		
Stretch fabric and knits are relaxed for sufficient period of time prior to and after spreading. Sections are cut across for further relaxation.		
Spread inspection is done to check quality of spreading, correct width fabric used for marker and marking of defect locations etc while a simple report is used to document result of findings.		
Lay report used as a production tool for bundle control.		
Cut accuracy audit done by checking a minimum of 3 layers against hard pattern and documenting result on simple format as quality analysis, SPC etc.		
All parts are numbered using numbering machine.		
Written procedure for cutting quality and production controls available and used by relevant associates.		

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Process Controller's Check List, Continued

Fusing Quality and Maintenance Controls	Implemented (Yes/No)	Comments
Illumination level over fusing area are adequate (minimum 100 foot candles or 1000 LUX)		
Regular preventive and corrective maintenance procedures in place for fusing machines and fusing machine belts are cleaned at regular intervals on a daily basis.		
Fusing machine has thermostats and controls to maintain temperature and speed and temperature of belts are calibrated on a routine basis.		
Fuse line temperature, speed and pressure standards pre-established for each type of fabric and fusible used prior to production		
Thermo strip papers are used to check fuse line temperature on a routine basis and references of strips kept in a log book.		
Bond strength of fusing is checked using a Newton Scale whereby pressure can be verified on a routine basis while records are kept in the log book.		
Quality audits done on a routine to verify fabric color change, strike off etc of fused parts.		
Written procedure for fusing quality and machine maintenance available for use by relevant associates.		

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Process Controller's Check List, Continued

Sewing Area Quality and Production Controls	Implemented (Yes/No)	Comments
<p>Illumination levels over sewing machines are adequate (minimum 100 foot candles or 1000 LUX) or spot lamps available on every machine, while inspection tables have 150 foot candles or 1500 LUX.</p>		
<p>Regular preventive and corrective maintenance procedures in place for sewing machines and pressing equipments while sewing machines routine cleaning in place and is done on a minimum of twice a day.</p>		
<p>Broken needle parts are collected and pasted on a log sheet or book while needles are changed on a routine basis for special fabrics and operations.</p>		
<p>Approved sealed bag sample from product development room is available with approval comments while for washed product an unwashed sealed bag sample is also available along with trim card and full technical spec package for in-line use.</p>		
<p>Mock-ups of critical or all operations are established and hung over sewing machines along with work instruction for operator's guidelines.</p>		
<p>Bundle control card is used to maintain uniformity of bundles so that mix-ups do not take place while panels are assembled following numbering sequence.</p>		
<p>Templates or markers used per shrinkage pattern to mark critical placements etc using tailoring chalk or invisible pens.</p>		
<p>Under pressing is done for applicable operations to maintain better quality.</p>		
<p>Operator skill inventory is available for supervisor's use to balance line so that back log can be prevented during production.</p>		
<p>Hourly production record by operator available and checked by supervisors on a routine basis.</p>		

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Process Controller's Check List, Continued

Sewing Area Quality and Production Controls	Implemented (Yes/No)	Comments
Sewing line is engineered to produce a product in an efficient manner with help and support from an engineering staff using time and method study techniques.		
Sewing supervisors have the technical skills and knowledge to maintain a balanced and productive line while maintaining and respecting quality standards.		
In-process audits for workmanship and measurement done routinely using effective tools such as SPC, traffic sign system or daily quality analysis etc and corrective actions are taken and documented for future reference.		
End-line audits done routinely using an AQL 2.5 tightened level at 20% after sew stage or by cut and inspection reports available for review.		
Garment transportation is done in a proper manner by cut number etc to laundry or finishing area.		
Written procedure for sewing quality, production and maintenance controls available for use by relevant associates.		

Training program	Implemented (Yes/No)	Comments
Sewing operators are given an initial training program prior to selection to work as permanent operators in sewing lines while their skill levels are recorded for future reference.		
Quality Inspectors are given initial training on how to measure and how to examine a garment per buyer's requirement while training is given on how to fill out inspection formats that are in place.		

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Process Controller's Check List, Continued

Laundry (Washing Plant) quality, production and preventive maintenance controls	Implemented (Yes/No)	Comments
<p>Illumination levels over washing machines are adequate (minimum 100 foot candles or 1000 LUX) while wet standard checking area have cool white lights of around 150 foot candles or 1500 LUX.</p>		
<p>Regular preventive and corrective maintenance procedures in place for washing machines, extractors and dryers while washing machines inner drums are checked for damaged surface using a fine material such as nylon.</p>		
<p>Quality of water and water hardness is checked and approved for use by external laboratory and certificates available for review.</p>		
<p>If pumice stones are used, stones are pre-washed for better roundness of surface prior to loading garments for bulk washing</p>		
<p>Anti ozone softeners are used for indigo denims and bleach are diluted properly before usage for bleaching process.</p>		
<p>PH level of water is checked during washing with pH paper strips and white garments are tested with Universal Indicator solution so as to ensure the acidity of garment has been properly neutralized.</p>		
<p>Garments are washed by shade lots as per shade label sewn on to garment.</p>		
<p>Water recycle plant is available for the disposal of waste water and all hard residuals are sent to proper location for dumping as per local authority.</p>		
<p>After wash audit done by wash load to ensure garments are within approved shade range while quality and measurement audits are also done using proper format for documentation.</p>		
<p>Written procedure for washing quality, production and maintenance controls available for use by relevant associates.</p>		

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Process Controller's Check List, Continued

Finishing & Packing Controls	Implemented (Yes/No)	Comments
Illumination levels over pressing tables and packing tables are adequate (minimum 100 foot candles or 1000 LUX) while inspection areas have cool white lights of around 150 foot candles or 1500 LUX.		
Hand irons have Teflon shoes, while pressing equipments have sufficient padding and clean covers.		
Trouser toppers, Hoffman pressers etc have thermostats to control pressure, steam, cold air etc.		
Pressing standard is established and displayed for use by pressing operators along with work instructions.		
Hang tags, UPC stickers etc are stored by style, size and color using dividers so as to prevent mix ups during packing.		
Random quality and measurement audits done and proper formats used for documentation, while a pre-final audit is also incorporated using AQL 2.5 tightened level.		
Warning instruction clearly printed in 3 languages on the rear side center of poly bag and quality, size (length & width) is adequate and not too small or excess per garment size.		
Poly bags for care free products have hole for bottoms and tops while for jackets bottom of poly bag is not closed for proper ventilation.		
Poly bags are heat sealed or 3M600 scotch tapes is used while for GOHH/GOHF poly bag is closed with a minimal 3 inch gap from bottom of garment. FFP garments are not tight inside poly bag.		
UPC sticker placement on GOHH/GOHF are placed correctly per manual using a guide while for FFP UPC sticker placement is centered on poly bag.		
Shade stickers are used on poly bag and carton to identify shade lots being shipped by style.		
Carton boxes have supplier certification seal confirming bursting strength of carton per KL standard or a test report is available from an approved laboratory.		

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Process Controller's Check List, Continued

Finishing & Packing Controls (continued)	Implemented (Yes/No)	Comments
Carton marking are correct for each destination and samples of cartons are available for each destination as a guide for easy reference.		
Scan and pack equipment in place for accuracy of count.		

Information and Technology	Implemented (Yes/No)	Comments
All spec package and comments sent by buyer are translated to local language for the benefit of associates in each area.		
Ability to use EDI and transmit ASN to KL.		

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Process Controller's Check List, Continued

QAC (Supplier Final Auditing)	Implemented (Yes/No)	Comments
QAC available with white wall and ceiling, grey floors, white Formica top table for inspection, anti fatigue mats, computer, printer, internet access, telephone, quick check barcode scanner and work about hand held computer.		
Certified auditor in place who has the knowledge to conduct comprehensive final audits and have good knowledge to access the internet and understand the KL standard procedure and packaging manual		
QA style file with complete information is available along with final approved sealed bag sample and trim cards while packing list is received prior to conducting final audits.		
Routine calibration of quick check barcode scanner and measuring tapes while records of calibration date are available for reference.		
Visual display of all standard information such as samples of hangers, carton markings for each destination in place while a notice board is also available to post all important information and memorandums		
Certified auditor participates in pre-production meeting and ensures that sealed bag samples are in place at each process.		
Final audits are conducted per AQL 2.5 tightened level double sampling plan and count / accuracy audits conducted per AQL 0.4 single sampling plan. Measurement audits are done per guidelines established in the standard procedure and packaging manual.		

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Process Controller's Check List, Continued

Human Rights, House Keeping and Security Compliance	Implemented (Yes/No)	Comments
KL standard of engagement is posted at critical points such entry/exit, cafeterias etc.		
Attendance is marked before commencement and at the end of the day either using a punching clock or register.		
All floor areas and ceilings are cleaned at regular intervals.		
Cafeterias are cleaned on a regular basis and drinking water is purified for consumption.		
Washrooms are cleaned on a regular basis, disinfectants are used and soap, towels are available adequately.		
Medical room is equipped to handle emergencies and staffed with a Doctor or Nurse.		
Fire exits are marked and fire extinguishers are in place and serviced on a routine basis, while emergency teams are trained and identified.		
C-TPAT Security program is complied and approved by KL and/or approved 3rd party auditor.		

Apparel Certification Program

Introduction This section describes the certification process and logistics.

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Apparel Supplier Certification Process

Introduction

This section describes the steps for completing the certification process.

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Supplier Selection for Evaluation	4-23
Certified Apparel Supplier Requirements	4-24
Product / Process Monitoring: Continuous Improvement	4-40

Notify Suppliers of Program

Purpose The purpose is to notify suppliers of our intention to visit their facility to perform an audit.

Schedule Action takes place when divisional or corporate operations determine a long term, significant volume relationship has been established.

Procedure The following steps describe the procedure for notifying suppliers of the program:

Step	Action
1	All apparel suppliers are provided with certification information.
2	Suppliers should confirm their Certification Program interest in writing.

Supplier Selection for Evaluation

Purpose The purpose is to ensure significant partnership has been established.

Schedule Action takes place when divisional or corporate operations have determined a long term, significant volume relationship has been established.

Procedure The following steps describe the supplier selection for evaluation procedure:

Step	Action
1	The auditors will review all suppliers.
2	Selection of suppliers for evaluation will be prioritized based on volume being produced for Kahn Lucas, Inc., perceived best practices, and past performance.

Certified Apparel Supplier Requirements

Introduction This section describes the steps for completing the certified supplier level.

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Supplier Certification On-Site Audit Scorecard	4-27
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Apparel Certified Supplier

Purpose Certified supplier status is the only ranking level in the certification program.

Procedure The following steps describe the procedure for obtaining Certified Supplier status:

Step	Action
1	A supplier must score at least 90% or higher on the Supplier On-Site Audit.
2	A supplier must understand and comply with Kahn Lucas, Inc. electronic commerce standards.
3	A supplier must have computerized grading and marking capabilities.
4	A supplier must be able to accommodate Kahn Lucas, Inc. in product development and sample requirements.
5	A supplier must maintain consistent quality and on-time delivery.
6	A supplier must provide complete shipments.

Supplier On-Site Audit

Purpose The purpose of the supplier on-site audit is to evaluate the supplier's facilities, systems, and procedures.

Procedure The following steps describe the supplier on-site audit procedure:

Step	Action
1	Evaluation auditor, with supplier documentation, will visit the supplier's facility/facilities. The auditor, based on size and complexity of supplier, will determine duration of visit.
2	Details from the Certification On-Site Audit Scorecard will be reviewed.
3	Audit sessions will include a tour, looking for, and talking with associates about the processes and procedures in place.
4	Suppliers will answer all questions and provide documentation of their current processes and procedures.

Supplier Certification On-Site Audit Score Card

SUPPLIER'S INFORMATION
NAME OF SUPPLIER:
PLANT NAME AND CODE :
PLANT ADDRESS:
TELEPHONE NUMBER:
FAX NUMBER:
MAIN CONTACT PERSON:
E-MAIL ADDRESS;

AUDIT RESULT
AUDIT DATE
NUMBER OF PROCESS EVALUATED (times maximum 5 points) = (x) =
TOTAL SCORE = (y) =
POINTS ACHIEVED (y) / (x) X 100 =

SCORING CRITERIA
N/A = NOT APPLICABLE
1 = VERY WEAK OR NOT IMPLEMENTED
2 = WEAK OR MINIMAL IMPLEMENTATION
3 = FAIR OR PARTIALLY IMPLEMENTED, WORK IN PROGRESS
4 = GOOD OR FULLY IMPLEMENTED AND HAVE BEEN IN PLACE FOR LESS THEN 3 MONTHS
5 = VERY GOOD OR FULLY IMPLEMENTED AND HAVE BEEN IN PLACE FOR OVER 3 MONTHS

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Supplier Certification On-Site Audit Score Card, Continued

Fabric Inspection and Testing	Implemented (Yes/No)	Score
Fabric inspection machine in place with Cool White lighting		
AQL sampling plan used to select rolls for inspection		
4 point system used for fabric inspection and inspection reports clearly filled out.		
Shade variation checked on selected rolls at side/center/side and end/end using a 2,4,1,3 method.		
Fabric width checked at 3 points on selected rolls to ensure consistency of fabric width.		
Skew test done on selected rolls per recognized standard.		
Fabric weight checked by dye lot for knitwear using punch cutter		
Above weighing scale calibrated and checked by 3rd party laboratory and report or sticker available for verification.		
Shrinkage test done on selected or on all rolls based on type of fabric (e.g. Lycra) or garment after treatment.		
Fabric shade grouping done by dye lot for non-wash product and on 100% of the rolls for indigo and piece dyed fabric		
In-house lab available to perform basic testing with light box and dark room.		
AATCC replicas available for seam smoothness, crease retention and fabric smoothness when producing care free product.		
Mill inspection and test reports available and cross checked during in-house inspection and testing.		
Written procedure for fabric inspection and testing process available and used by relevant associates.		

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Supplier Certification On-Site Audit Score Card, Continued

Trim inspection and testing	Implemented (Yes/No)	Score
Information pertaining to trims such as trim spec sheet, purchase order available for use during receiving audits.		
Receiving quality audit of sewing trims such as thread, zipper and buttons done per AQL 2.5 tightened level double sampling plan and inspection reports clearly filled out.		
Receiving quality audit of all labels, hang tags, flashers, UPC size stickers, pre-pack stickers, leg stickers etc per AQL 0.4 single sampling plan and inspection reports clearly filled out.		
In-house testing for color fastness on sewing trims such as thread, zipper, seam binding, pocketing, buttons and rivets etc based on after treatment process or care instructions and test reports available.		
Quick check barcode scanner used to check accuracy of barcodes of UPC size stickers and pre-pack stickers and scanner is calibrated on a routine basis.		
Pre-shrinking of elastic, tapes etc prior to cut and sew		
Weighing scale used to check quantity received calibrated by 3 rd party laboratory and report or sticker available for verification.		
Random inspection of packaging materials such as hangers (shake test), poly bags and cartons for quality, color, size and strength.		
Trim card prepared and approved by responsible officer and distributed to relevant areas.		
Written procedure for trim inspection and testing process available and used by relevant associates.		

Supplier Certification On-Site Audit Score Card, Continued

Pre-Production Controls	Implemented (Yes/No)	Score
Product development capabilities, such as developing a Proto Sample using only a sketch and measurement page.		
Proto Sample evaluated and documented using a proper format and complete package sent to KL for approval along with tracing and mock-ups if applicable.		
Counter Sample evaluated and documented using a proper format and complete package sent to KL for approval along with tracing and mock-ups if applicable.		
In-house computer pattern making, grading and marker making (CGM) available and all patterns from each stage saved in an organized manner.		
Calibration of plotters on a routine basis and records available for review.		
Pre-Production Pilot Lot (Size Set) evaluated, approved locally and comments documented using a proper format prior to cutting bulk production.		
Sealed bag sample extracted from Pre-Production Pilot Lot (Size Set) and issued for production [for washed product, an unwashed garment is approved for sewing line reference - see sewing line controls].		
Pre-Production meeting held for each style and all points discussed and agreed documented as meeting minutes in a proper format for follow-up in production. Minutes are distributed to all relevant areas.		
Mannequins or KL approved in-house models used for fit evaluation during preproduction and production stages.		
Written procedure for pre-production process available and used by relevant associates.		

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Supplier Certification On-Site Audit Score Card, Continued

Cutting Quality, Production and Maintenance Controls	Implemented (Yes/No)	Score
Illumination level over cutting tables are adequate (minimum 100 foot candles or 1000 LUX)		
Regular preventive and corrective maintenance procedures in place for automatic and/or manual cutting machines have routine preventive maintenance procedures in place.		
Marker placement and number of pieces, parts, direction of pattern etc are checked and errors recorded using a report.		
Stretch fabric and knits are relaxed for sufficient period of time prior to and after spreading. Sections are cut across for further relaxation.		
Spread inspection is done to check quality of spreading, correct width fabric used for marker and marking of defect locations etc while a simple report is used to document result of findings.		
Lay report used as a production tool for bundle control.		
Cut accuracy audit done by checking a minimum of 3 layers against hard pattern and documenting result on simple format as quality analysis, SPC etc.		
All parts are numbered using numbering machine.		
Written procedure for cutting quality and production controls available and used by relevant associates.		

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Supplier Certification On-Site Audit Score Card, Continued

Fusing Quality and Maintenance Controls	Implemented (Yes/No)	Score
Illumination level over fusing area are adequate (minimum 100 foot candles or 1000 LUX)		
Regular preventive and corrective maintenance procedures in place for fusing machines and fusing machine belts are cleaned at regular intervals on a daily basis.		
Fusing machine has thermostats and controls to maintain temperature and speed and temperature of belts are calibrated on a routine basis.		
Fuse line temperature, speed and pressure standards pre-established for each type of fabric and fusible used prior to production		
Thermo strip papers are used to check fuse line temperature on a routine basis and references of strips kept in a log book.		
Bond strength of fusing is checked using a Newton Scale whereby pressure can be verified on a routine basis while records are kept in the log book.		
Quality audits done on a routine basis to verify fabric color change, strike off etc of fused parts.		
Written procedure for fusing quality and machine maintenance available for use by relevant associates.		

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Supplier Certification On-Site Audit Score Card, Continued

Sewing Area Quality and Production Controls	Implemented (Yes/No)	Score
Illumination levels over sewing machines are adequate (minimum 100 foot candles or 1000 LUX) or spot lamps available on every machine, while inspection tables have 150 foot candles or 1500 LUX.		
Regular preventive and corrective maintenance procedures in place for sewing machines and pressing equipments while sewing machines routine cleaning in place and is done on a minimum of twice a day.		
Broken needle parts are collected and pasted on a log sheet or book while needles are changed on a routine basis for special fabrics and operations.		
Approved sealed bag sample from product development room is available with approval comments while for washed product and unwashed sealed bag sample is also available along with trim card and full technical spec package for in-line use.		
Mock-ups of critical or all operations are established and hung over sewing machines along with work instruction for operator's guidelines.		
Bundle control card is used to maintain uniformity of bundles so that mix-ups do not take place while panels are assembled following numbering sequence.		
Templates or markers used per shrinkage pattern to mark critical placements etc using tailoring chalk or invisible pens.		
Under pressing is done for applicable operations to maintain better quality.		
Operator skill inventory is available for supervisor's use to balance line so that back log can be prevented during production.		
Hourly production record by operator available and checked by supervisors on a routine basis.		
Sewing line is engineered to produce a product in an efficient manner with help and support from an engineering staff using time and method study techniques.		
Sewing supervisors have the technical skills and knowledge to maintain a balanced and productive line while maintaining and respecting quality standards.		
In-process audits for workmanship and measurement done routinely using effective tools such as SPC, traffic sign system or daily quality analysis etc and corrective actions are taken and documented for future reference.		
End-line audits done routinely using an AQL 2.5 tightened level at 20% after sew stage or by cut and inspection reports available for review.		
Garment transportation is done in a proper manner by cut number etc to laundry or finishing area.		
Written procedure for sewing quality, production and maintenance controls available for use by relevant associates.		

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Supplier Certification On-Site Audit Score Card, Continued

Training program	Implemented (Yes/No)	Score
Sewing operators are given an initial training program prior to selection to work as permanent operators in sewing lines while their skill levels are recorded for future reference.		
Quality Inspectors are given initial training on how to measure and how to examine a garment per buyer's requirement while training is given on how to fill out inspection formats that are in place.		

Laundry (Washing Plant) quality, production and preventive maintenance controls	Implemented (Yes/No)	Score
Illumination levels over washing machines are adequate (minimum 100 foot candles or 1000 LUX) while wet standard checking area have cool white lights of around 150 foot candles or 1500 LUX.		
Regular preventive and corrective maintenance procedures in place for washing machines, extractors and dryers while washing machines inner drums are checked for damaged surface using a fine material such as nylon.		
Quality of water and water hardness is checked and approved for use by external laboratory and certificates available for review.		
If pumice stones are used, stones are pre-washed for better roundness of surface prior to loading garments for bulk washing		
Anti ozone softeners are used for indigo denims and bleach are diluted properly before usage for bleaching process.		
PH level of water is checked during washing with pH paper strips and white garments are tested with Universal Indicator solution so as to ensure the acidity of garment has been properly neutralized.		
Garments are washed by shade lots as per shade label sewn on to garment.		
Water recycle plant is available for the disposal of waste water and all hard residuals are sent to proper location for dumping as per local authority.		
After wash audit done by wash load to ensure garments are within approved shade range while quality and measurement audits are also done using proper format for documentation.		
Written procedure for washing quality, production and maintenance controls available for use by relevant associates.		

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Supplier Certification On-Site Audit Score Card, Continued

Finishing & Packing Controls	Implemented (Yes/No)	Score
Illumination levels over pressing tables and packing tables are adequate (minimum 100 foot candles or 1000 LUX) while inspection areas have cool white lights of around 150 foot candles or 1500 LUX.		
Hand irons have Teflon shoes , while pressing equipments have sufficient padding and clean covers.		
Trouser toppers, Hoffman pressers etc have thermostats to control pressure, steam, cold air etc.		
Pressing standard is established and displayed for use by pressing operators along with work instructions.		
Hang tags, UPC stickers etc are stored by style, size and color using dividers so as to prevent mix ups during packing.		
Random quality and measurement audits done and proper formats used for documentation, while a pre-final audit is also incorporated using AQL 2.5 tightened level.		
Warning instruction clearly printed in 3 languages on the rear side center of poly bag and quality, size (length & width) is adequate and not too small or excess per garment size.		
Poly bags for care free products have hole for bottoms and tops while for jackets bottom of poly bag is not closed for proper ventilation .		
UPC sticker placement on GOHH/GOHF are placed correctly per manual using a guide.		
Shade stickers are used on poly bag and carton to identify shade lots being shipped by style.		
Carton boxes have supplier certification seal confirming bursting strength of carton per KL standard or a test report is available from an approved laboratory.		
Cartons have guides or templates are used for correct placement of UPC, Pre-Pack, CIB and UCC-128 stickers.		
Carton marking are correct for each destination and samples of cartons are available for each destination as a guide for easy reference.		
Scan and pack equipment in place for accuracy of count.		

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Supplier Certification On-Site Audit Score Card, Continued

QAC (Supplier Final Auditing)	Implemented (Yes/No)	Score
QAC available with white wall and ceiling, grey floors, white Formica top tables for inspection, anti fatigue mats, computer, printer, internet access, telephone, quick check barcode scanner and work about hand held computer.		
Certified auditor in place who has the knowledge to conduct comprehensive final audits and have good knowledge to access the internet and understand the KL standard procedure and packaging manual		
QA style file with complete information is available along with final approved sealed bag sample and trim cards while packing list is received prior to conducting final audits.		
Routine calibration of quick check barcode scanner and measuring tapes while records of calibration dates are available for reference.		
Visual display of all standard information such as samples of hangers, carton markings for each destination in place while a notice board is also available to post all important information and memorandums		
Certified auditor participates in pre-production meeting and ensures that sealed bag samples are in place at each process.		
Final audits are conducted per AQL 2.5 tightened level double sampling plan and count / accuracy audits conducted per AQL 0.4 single sampling plan. Measurement audits are done per guidelines established in the standard procedure and packaging manual.		

Information and Technology	Implemented (Yes/No)	Score
All spec package and comments sent by buyer are translated to local language for the benefit of associates in each area.		
Ability to use EDI and transmit ASN to KL.		

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Supplier Certification On-Site Audit Score Card, Continued

Human Rights, House Keeping and Security Compliance	Implemented (Yes/No)	Score
KL standard of engagement is posted at critical points such entry/exit, cafeterias etc.		
Attendance is marked before commencement and at the end of the day either using a punching clock or register.		
All floor areas and ceilings are cleaned at regular intervals.		
Cafeterias are cleaned on a regular basis and drinking water is purified for consumption.		
Washrooms are cleaned on a regular basis, disinfectants are used and soap, towels are available adequately.		
Medical room is equipped to handle emergencies and staffed with a Doctor or Nurse.		
Fire exits are marked and fire extinguishers are in place and serviced on a routine basis, while emergency teams are trained and identified.		
C-TPAT Security program is complied and approved by KL and/or approved 3 rd party auditor.		
Audits are done and approved by KL and/or 3 rd party auditor.		

Sub Total:

Corrective Action

Purpose The purpose of corrective action is to provide recommendations for areas of improvement.

Schedule After the on-site audit, the evaluation auditors will review all information, rate the supplier, and generate a corrective action request (CAR).

Procedure The following steps describe the corrective action process:

Step	Action
1	Written notification of Corrective Action Request (CAR) indicating areas needing improvement will be sent to supplier.
2	Upon receipt and approval of a written Corrective Action Plan (CAP) from the supplier, providing an action plan to abate the non-conformances, a ranking letter will be sent indicating the certified ranking status.
3	Once the improvements have been implemented, supplier may request a follow up audit to confirm acceptable completion of CAP.



Corrective Action Request

CORRECTIVE ACTION REQUEST

Audit Reference #

Audit Type: 2nd Party 3rd Party Follow Up
CAR Category: Major Minor Observation

To: _____

CAR Reference #
AREA UNDER REVIEW:

DESCRIPTION OF NONCONFORMANCE:

REQUESTED BY: DATE: AUDITOR:

SUPPLIER CORRECTIVE ACTION PLANS:

Reply should address the following: What immediate action has been taken, the root cause, action taken to correct the nonconformance and prevent recurrence, temporary (interim) action, severity and impact on past product, date of full compliance. Use reverse side as necessary.

Root Cause:

Action Taken to Correct:

Action to Prevent Recurrence & Remedial Action:

Date for full compliance & Interim Action: _____

VERIFICATION:

DATE SUPPLIER REPRESENTATIVE

REPLY BY AUDITEE IS SATISFACTORY

LEAD AUDITOR

DATE

ACTION TAKEN IS SATISFACTORY

LEAD AUDITOR

DATE

Product/Process Monitoring, Continuous Improvement

Purpose It is the responsibility of the supplier to monitor products and processes and to continuously improve.

Schedule Suppliers may contact the certification auditor to request a follow-up audit after all improvements have been achieved.

If supplier achieves and maintains certified status, they will be re-audited every 2 years.

If supplier does not achieve or maintain certified status, they must contact the appropriate certification auditor to schedule a re-audit upon completion of all corrective action plans according to the agreed upon.

Procedure The following step describes the procedure for product/process monitoring:

Step	Action
1	A supplier must monitor products and process to continuously improve.

Recognition Process

Purpose

Recognition is a critical component of the Kahn Lucas, Inc. Supplier Certification Program. Besides identifying the suppliers who have excelled in providing superior materials and products, it will inspire other suppliers.

Note: We value our suppliers and will assist them in developing appropriate action plans for achieving the highest levels of performance.

Basis for Classification:

The final Audit Rating for each supplier will be used as the basis for classification of Certified. This classification represents a supplier's performance in the areas of quality, delivery, value, service and cost savings

Award Criteria

The following is the award criteria for the Certified classification:

Step	Action
1	A supplier must score at least 90% or higher on the Supplier On-Site Audit.
2	A supplier must understand and comply with Kahn Lucas, Inc. electronic commerce standards.
3	A supplier must have computerized grading and marking capabilities.
4	A supplier must be able to accommodate Kahn Lucas, Inc. in product development and sample requirements.
5	A supplier must maintain consistent quality and on-time delivery.
6	A supplier must provide complete shipments.