Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment

Version No.: 06 7-Mar-18

Audit Details			
Costco Audit Request #	201804-NFGMP-06109		
Audit Type	**Initial Audit**		
Audit Report #	JSASCN18137598	Auditor Name	Rob Gao
Audit Start Date	May 21-22, 2018	Number of Mandays	2
Follow-up Audit 1	Not Applicable		
Follow-up Audit 2	Not Applicable		
Factory Name	**ANYANG JINGHONG GARMENT CO.,LTD**		
Address	XINGLONG RD, TANGYIN COUNTRY INDUSTRIAL AREA, AN YANG, HENAN,		
State/Province	Henan		
Country	China		
Postcode	456150		
Telephone #	15261555006		
Fax	0510-82754889		
E-mail Address	sunny@msintl-cn.com		
Supplier Name	MAMIYE BROS		

Key Personnel		
Name	Job Title	E-mail ID
Teressa	General Manager	teressa@msintl-cn.com
Tony	Factory manager	tonyyu@msintl-cn.com
Sunny	R & D Manager	sunny@msintl-cn.com

Note: provide up to 5 key personnel only

Sub-contractor Information		
Processes	Factory Name	Factory Address
Embroidery	*Anyang Yuhe Embroidery Co.,Ltd*	*Bozhuang Town, Anyang City, Henan, China*
Silk-screen	*Anyang Haijing Garment Co.,Ltd*	*Tiexi Road, Anyang City, Henan, China*

Company Profile	
Factory established in year:	2018
Main manufacturing processes:	Cutting-Sewing-Ironing-Trimming-Packing
Product category	Garment
Factory area / dimensions	5500 square meter
Number of Buildings	one 2-storey production building, one 1-storey office building.
Total number of employees	200
Production capacity	40,000 pcs / month
International certification	Nil
Peak season	Not obvious
Major market	US, Europe,

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Major customer	Mamiye Sales INC.
Remarks (if any):Nil	

AUDIT RESULT SUMMARY

ANYANG JINGHONG GARMENT CO.,LTD

Initial Audit			
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Auditor Name	Rob Gao	Number of Mandays	2
	Section Name	**Section Score**	**Section Rating**
Section 1	Management Commitment & Continual Improvement	100%	Green
Section 2	Risk Management	87%	Orange
Section 3	Quality Management System	89%	Orange
Section 4	Site and Facility Management	74%	Orange
Section 5	Product Control	85%	Orange
Section 6	Product Testing	100%	Green
Section 7	Process Control	96%	Orange
Section 8	Personnel Training	100%	Green
		Overall Score	**Overall Rating**
		91.28%	**Orange**

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Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
1	**Management Commitment & Continual Improvement**		
1.1	**Does company establish a quality policy stating the company's intentions to meet its obligations to manufacture quality, safe and legal products, and its responsibility to the customer?**	Full Compliance	Yes.
1.2	**Is the policy communicated throughout the company, and regularly reviewed?**	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.
1.4	**Does company review effectiveness of management systems (e.g. QMS) at defined intervals (minimum once per year)?**	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.
1.6	**Does company track its key performance indicators (KPI) for on-time delivery, outgoing quality, complaint rate, etc.?**	Full Compliance	Yes.
2	**Risk Management System**		
2.1	**Legislative and Safety Requirements**		
2.1.1	**Is the company 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.
2.1.2	**Does the company 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.
2.2	**Risk Assessment**		
2.2.1	**Does the company establish a Product Risk Assessment for each product or a group of similar products, e.g., FMEA?**	Full Compliance	Yes.

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2.2.2	**Where manufacturing sites have no responsibility for product design, is the company provided with a validated copy of the product risk assessment?**	Full Compliance	Yes.
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.
2.2.3.2	**Product use (e.g., behavior, durability, user awareness, information and advice)**	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.
2.2.4.2	**Risk level for each identified hazard/risk (e.g. Severe, High, Moderate, Slight)**	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.
2.2.5	**Does the company conduct a Process Risk Assessment of hazards potentially introduced during the production, packaging or storage processes?**	Deviation	The factory established Product Risk Assessment procedure and conducted Product Risk Assessment. But based on documents review, the risk assessment did not contain all production processes like sub-contracted embroidery and silk-screen, etc., lack of manufacturing parameters (e.g. spread height, stitch length), lack of the chemicals in production (machine oil), did not identify CCP and the corrective actions when the CCP was out of control.
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	The factory established Product Risk Assessment procedure and conducted Product Risk Assessment. But based on documents review, the risk assessment did not contain all production processes like sub-contracted embroidery and silk-screen, etc., lack of manufacturing parameters (e.g. spread height, stitch length), lack of the chemicals in production (machine oil), did not identify CCP and the corrective actions when the CCP was out of control.
2.2.6.2	**Conditions of equipment, moulds, dies, machinery**	Full Compliance	Yes.

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2.2.6.3	**Chemicals / materials used for equipment (e.g. lubricating oils and paints)**	Non Conformity	The factory established Product Risk Assessment procedure and conducted Product Risk Assessment. But based on documents review, the risk assessment did not contain all production processes like sub-contracted embroidery and silk-screen, etc., lack of manufacturing parameters (e.g. spread height, stitch length), lack of the chemicals in production (machine oil), did not identify CCP and the corrective actions when the CCP was out of control.
2.2.6.4	**Calibration of equipment**	Full Compliance	Yes.
2.2.6.5	**Policies on foreign body contamination (e.g. needles, metal, glass and brittle plastics)**	Full Compliance	Yes.
2.2.6.6	**Policies on microbiological contamination (e.g. hygiene of toilet & canteen, pest control)**	Full Compliance	Yes.
2.2.6.7	**Personal protective equipment (including specific clothing and footwear)**	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.
2.2.7.2	**Control points to manage the identified risk to acceptable level**	Full Compliance	Yes.
2.2.7.3	**Accept / reject limits defined for each control point**	Full Compliance	Yes.
2.2.7.4	**Corrective action to be taken where a CCP is out of control**	Non Conformity	The factory established Product Risk Assessment procedure and conducted Product Risk Assessment. But based on documents review, the risk assessment did not contain all production processes like sub-contracted embroidery and silk-screen, etc., lack of manufacturing parameters (e.g. spread height, stitch length), lack of the chemicals in production (machine oil), did not identify CCP and the corrective actions when the CCP was out of control.
2.2.7.5	**Responsibility of Control Points**	Full Compliance	Yes.
2.2.7.6	**Records of monitoring & reviews**	Full Compliance	Yes.
2.3	**Verification of Risk Assessment**		
2.3.1	**Is the verification of risk assessment carried out prior to production?**	Full Compliance	Yes.

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2.3.2	**Is the risk assessment carried out by competent personnel (internal or external)?**	Full Compliance	Yes.
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.
2.3.4	**Does the company implement risk management systems based on a systematic risk assessment system to assure product safety legality and quality?**	Full Compliance	Yes.
3	**MANAGEMENT SYSTEM**		
3.1	**Documented Quality System**		
3.1.1	**Does company have a documented quality system approved by top management, outlining the criteria and methods used to meet system requirements?**	Full Compliance	Yes.
3.1.2	**Does the quality system include detailed procedures, instructions, and reference documents covering all manufacturing processes?**	Full Compliance	Yes.
3.2	**Organizational Structure, Responsibility and Authority**		
3.2.1	**Does company define and communicate the levels of responsibility and accountability for staff involved with product safety, legality, and quality?**	Full Compliance	Yes.
3.2.2	**Are there appropriate arrangements in place, to cover for the absence of key staff?**	Full Compliance	Yes.
3.3	**Customer Focus**		
3.3.1	**Is there a process in place to communicate customer's needs and expectations to all relevant employees?**	Full Compliance	Yes.
3.3.2	**Are performance indicators relating to customer satisfaction established?**	Full Compliance	Yes.

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3.3.3	**Does company establish a procedure or policy to safeguard customer property including software, intellectual property and products?**	Full Compliance	Yes.
3.4	**Specifications**		
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.
3.4.2	**Are specifications adequate, accurate, and ensure compliance with relevant safety, legislative and customer requirements?**	Full Compliance	Yes.
3.4.3	**Any changes in product specifications are formally agreed with customers and then communicated to relevent departments?**	Full Compliance	Yes.
3.5	**Purchasing, Supplier and Sub-Contractor Approval and Performance Monitoring**		
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 company use the results of the approval process to determine acceptable/non acceptable sources?**	Deviation	The factory established supplier and sub-contractor management procedure and provided the approved supplier list and evaluation records. But based on documents review, the factory did not provide the evaluation records of fabric supplier "Wujiang Congcong Sichou Co.,Ltd", the records of machine oil, polyester wadding suppliers, etc.
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.)**	Deviation	The factory established supplier and sub-contractor management procedure and provided the approved supplier list and evaluation records. But based on documents review, the factory did not provide the evaluation records of fabric supplier "Wujiang Congcong Sichou Co.,Ltd", the records of machine oil, polyester wadding suppliers, etc.
3.5.3	**Does company provide material specifications and compliance requirements to raw-material, trims and packaging materials suppliers when placing orders?**	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	The factory purchased materials by order, most materials were labeled. But based on on-site observation, some raw materials or finished products were not labeled with date, order number, quality status, etc. It's not good for traceability.

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3.6.2	**Are raw materials (including packaging), work in progress and finished products identified to ensure traceability?**	Deviation	The factory purchased materials by order, most materials were labeled. But based on on-site observation, some raw materials or finished products were not labeled with date, order number, quality status, etc. It's not good for traceability.
3.6.3	**Can company identify, trace, and locate 100% of finished product lots/batches from raw material (based on random sampling)?**	Deviation	The factory purchased materials by order, most materials were labeled. But based on on-site observation, some raw materials or finished products were not labeled with date, order number, quality status, etc. It's not good for traceability.
3.6.4	**Can company identify, trace, and locate 100% of raw materials used in customer products (based on random sampling)?**	Deviation	The factory purchased materials by order, most materials were labeled. But based on on-site observation, some raw materials or finished products were not labeled with date, order number, quality status, etc. It's not good for traceability.
3.6.5	**Is the system regularly tested to ensure traceability can be determined from raw material source to finished product and vice-versa?**	Full Compliance	Yes.
3.7	**Incident Management and Product Recall**		
3.7.1	**Does company have an incident management procedure for incidents or emergencies that impact product quality, safety or legality?**	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.
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?**	Deviation	The factory established the recall procedure and provided the simulate recall records. But based on documents review, the recall did not contain some necessary element, like the contact information of recall team and customers.
3.7.4	**Does company conduct mock recall test to check effectiveness of Product Recall procedure at least once a year?**	Full Compliance	Yes.
3.8	**Complaint Handling**		
3.8.1	**Does company have a system for the management of complaints?**	Full Compliance	Yes.

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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.
3.9	**Corrective and Preventive Action**		
3.9.1	**Does company 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.
3.9.2	**Are there records indicating that the company takes timely actions to eliminate the root cause of non-conformities against operation procedures in order to prevent recurrences?**	Full Compliance	Yes.
3.10	**Document Control**		
3.10.1	**Does company maintain proper documentation for control of formulas, specifications, BOM, procedures and work instructions?**	Full Compliance	Yes.
3.10.2	**Controlled documents are secured and access restricted?**	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.
3.10.4	**All documents in use are the correct version?**	Full Compliance	Yes.
3.10.5	**Any amendments to records are authorized?**	Full Compliance	Yes.
3.11	**Internal Audit**		
3.11.1	**Are internal audits on management systems (e.g. QMS) conducted at defined intervals (minimum once a year)?**	Full Compliance	Yes.

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3.11.2	**All corrective actions and follow-ups related to internal audits are satisfactorily completed?**	Full Compliance	Yes.
4	**Sites and Facilities Management**		
4.1	**Factory layout**		
4.1.1	**Is the building designed, constructed and maintained to minimize any potential for product contamination?**	Deviation	Based on on-site observation, there was some water on the floor in finished products storage area. There were some pest bodies in the corner. It's a risk of cross contamination.
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.
4.2	**Production flow**		
4.2.1	**Is a process flow diagram available?**	Deviation	The factory established the Process Flow Chart, but the factory did not identify the CCP.
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?**	Non Conformity	Based on on-site observation, the factory did not have sufficient storage capacity, some finished products were stored against the wall or window, it's a risk of damp.
4.3	**Segregation of products**		
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	The factory established rejects isolation procedure and provided the rejects box in workshop. But based on on-site observation, some rejects were stored in an accepts box in a position of trimming line. It's a risk of mixing.
4.4	**Staff facilities**		
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.
4.4.2	**Are workers not allowed to have food, drink, or smoke at their work areas?**	Non Conformity	The factory established procedures for eating, smoking and drinking in workshop. But based on on-site observation, some food or food waste was found in workshop. It's a risk of pest cross contamination.
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.
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	There is no special work wear requirement for the garment factory

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4.4.5	**Are suitable and sufficient hand-cleaning facilities provided at entrance and other appropriate points within production areas?**	Full Compliance	Yes.
4.4.6	**Any personal jewelry or other objects prohibited in the production areas for the risk of product contamination?**	Non Conformity	The factory established jewelry control procedure. But based on on-site observation, some workers wore necklace in workshop. It's a risk of mixing in products.
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?**	Deviation	Based on on-site observation, there was some water on the floor in finished products storage area. There were some pest bodies in the corner. It's a risk of cross contamination.
4.5.2	**Are cleaning, pest control, and process-aid chemicals suitably identified and controlled to prevent the risk of product contamination?**	Deviation	Based on on-site observation and management interview, the factory used soap and washing powder to clean the garment. And the sewing machine need use machine oil. But the factory did not provide the chemicals list, the instruction or test reports for the chemicals.
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?**	Full Compliance	Yes.
4.5.4	**Do documented cleaning procedures exist for the buildings, utilities, plant, and all equipment?**	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.
4.5.6	**Is cleaning and housekeeping carried out by trained personnel in accordance with documented procedures and records maintained?**	Full Compliance	Yes.
4.6	**Pest control**		
4.6.1	**Has the company identified and controlled the risk of pest infestation on the site(by factory internal or erternal third party), through operation of pest control procedures?**	Deviation	The factory established the pest control procedure and provided the control records. But based on on-site observation, a rat cage did not have bait. There were some flies or pest in workshop.
4.6.2	**Does the company have a clearly defined contract with external contractors which reflect the activities of the site, or have trained staff who undertake this responsibility?**	Full Compliance	Yes.

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4.6.3	**Are inspection record for pest control maintained and complete?**	Full Compliance	Yes.
4.6.4	**Are bait stations robustly constructed, operational, and effective in eliminating the target pests?**	Deviation	The factory established the pest control procedure and provided the control records. But based on on-site observation, a rat cage did not have bait. There were some flies or pest in workshop.
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?**	Deviation	The factory established the pest control procedure and provided the control records. But based on on-site observation, a rat cage did not have bait. There were some flies or pest in workshop.
4.7	**Lighting and ventilation**		
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?**	Deviation	The light in sewing workshop was 547Lux, light in cutting workshop was 152Lux, light in inspection area of sewing was 483Lux, light in inspection area of cutting was 54Lux, light in materials warehouse was 126Lux, light in finished products warehouse was 104Lux.
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.
4.8	**Contamination**		
4.8.1	**Does the company have control of the transport and storage of products, from delivery of raw materials and components, to finished product?**	Full Compliance	Yes.
4.8.2	**Has the company 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.
4.8.3	**Are tools and other sharp objects used in production controlled?**	Non Conformity	The factory established sharp tools control procedure and kept the issue and return records. But based on on-site observation, a scissor without unique code was not tethered on the idle machine. It's not under control.
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.

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4.8.5	**Where applicable are all needles under control without any spare needles unsecured?**	Full Compliance	Yes.
4.8.5.1	**If a needle is broken, is there a process for the replacement?**	Full Compliance	Yes.
4.8.5.2	**Is there is process to handle and account for all parts of a broken needle?**	Full Compliance	Yes.
4.8.5.3	**Does the factory retain all needle control records for a minimum of one year?**	Full Compliance	Yes.
4.8.5.4	**Is appropriate action taken when a needle is missing or fragments cannot be found?**	Full Compliance	Yes.
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?**	Full Compliance	Yes.
5	**Product Control**		
5.1	**Reference Samples (Preproduction and Production Sample)**		
5.1.1	**Does the company have a documented procedure to identify, select, categorize, handle, store, approve and use the reference samples (pre-production and production samples)?**	Full Compliance	Yes.
5.1.2	**Does the company 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.
5.1.3	**Are the samples retained with defined retaintion period, and securely stored in suitable environmental conditions to maintain their original status?**	Full Compliance	Yes.
5.2	**Chemical Control**		

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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.**	Non Conformity	Based on on-site observation and management interview, the factory used soap and washing powder to clean the garment. And the sewing machine need use machine oil. But the factory did not provide the chemicals list, the instruction or test reports for the chemicals.
5.2.2	**When chemicals are used as raw materials or ingrediants, does the company have documented procedure for managing, approving and controlling the engineering changes / product changes that may alter the chemical composition of the final product?**	Non Conformity	Based on on-site observation and management interview, the factory used soap and washing powder to clean the garment. And the sewing machine need use machine oil. But the factory did not provide the chemicals list, the instruction or test reports for the chemicals.
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.
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?**	Non Conformity	Based on on-site observation and management interview, the factory used soap and washing powder to clean the garment. And the sewing machine need use machine oil. But the factory did not provide the chemicals list, the instruction or test reports for the chemicals.
5.2.5	**Does the company 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?**	Full Compliance	Yes.

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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?**	Deviation	Based on on-site observation, the drying agent was not stored under a controlled environment, the factory did not control the validity of it. Some drying agent was affected with damp and agglomerated. It's a risk of losing efficacy.
5.2.7	**Are procedures, MSDS, description or diagram for the handling of chemicals available at the point of use?**	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.
5.2.9	**Does the company 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)?**	Deviation	Based on on-site observation, the drying agent was not stored under a controlled environment, the factory did not control the validity of it. Some drying agent was affected with damp and agglomerated. It's a risk of losing efficacy.
5.2.10	**Are the production equipment and devices inspected and cleaned regularly between batches to avoid cross contamination?**	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;**	Full Compliance	Yes.
5.3.1.2	**Maintaining the integrity of the product;**	Full Compliance	Yes.
5.3.1.3	**Protecting the consumer from injury; and**	Full Compliance	Yes.
5.3.1.4	**Preventing contamination**	Full Compliance	Yes.
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.
5.3.3	**Are packaging materials effectively protected before being returned to storage?**	Full Compliance	Yes.

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Initial Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
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 metal part was used during packing.
5.4	**Control of Non conforming Materials**		
5.4.1	**Does the company 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.
5.4.2	**Are the procedures understood by the authorized personnel and implemented effectively?**	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.
5.4.4	**Are the records kept for the nonconformities and subsequent actions taken?**	Full Compliance	Yes.
5.5	**Product Transport, Storage and Distribution**		
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	The factory established the preventive measures for finished products and materials. But based on on-site observation, there were some white fluffy catkins on a pallet of cutting pieces of dark color.
5.5.2	**Is transportation in good repair and in a clean/hygienic condition?**	Full Compliance	Yes.
5.5.3	**Where the product transported is susceptible to weather damage, are vehicles loaded and unloaded in covered areas/bays to prevent the risk of contamination and damage?**	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 is no specific environmental requirements for the packed garments.
5.6	**Stock Control and Product Release**		
5.6.1	**Does the company establish a procedure ensuring only products conforming to specifications/defined quality are dispatched?**	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.

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Initial Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
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.
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.
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.
6	**Product Testing and Product Claims**		
6.1	**Product Testing**		
6.1.1	**Does company establish procedures to undertake or subcontract analyses / testing according to product type and intended retail market?**	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.
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.**	Not Applicable	The factory did not have internal lab, The factory will usd external lab like ITS, SGS.
6.2	**Product Claims**		
6.2.1	**Does company undertake product testing or inspections to validate and verify any stated claims about a product specification, quality or performance?**	Full Compliance	Yes.
7	**Process Control**		
7.1	**Control of operations**		

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Initial Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
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.
7.1.2	**In the event of deviation of the process from specification, is corrective action taken and recorded?**	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.
7.2.2	**Is there evidence of the inspection status of incoming components and raw materials?**	Full Compliance	Yes.
7.2.3	**Do the incoming goods procedures cover subcontracted work and work performed outside of the primary site?**	Full Compliance	Yes.
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?**	Full Compliance	Yes.
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?**	Full Compliance	Yes.
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?**	Full Compliance	Yes.
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.
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.
7.4.3	**Are preventative maintenance schedules or cycles documented and on schedule?**	Full Compliance	Yes.

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Initial Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
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.
7.4.5	**Do machines, equipment, fixtures, tools and measurement equipment appear to be clean in good condition and well maintained?**	Full Compliance	Yes.
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.
7.5.2	**Has the company 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.
7.6	**Random Inspections**		
7.6.1	**Are in-line inspections carried out during assembly of the product**	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.
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.
7.6.4	**Product standards and guidelines shall be available and used by inspectors.**	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.

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Initial Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.7.1.2	**Fabrics shall be inspected according to 4-point, 10-point, or specified system before cutting.**	Deviation	The factory used 4-point to evaluate the fabric, but based on on-site observation and documents review, the factory used inch to evaluate the faults, but the inspector only had a metric tape.
7.7.1.3	**Procedures shall be in place to check shade matching and color to trim on each dye lot.**	Deviation	The factory established color shade inspection procedure, and provided the color card of the ingredients for each order. But the factory only kept the visual inspection records of the ingredients. The factory did not keep the color shade inspection records of the ingredients.
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**	Full Compliance	Yes.
7.7.1.5	**Materials shall have independent test certificates to assure conformity with destination market and/or customer requirements regarding phthalates.** **(This clause is applcable only to soft toys products only)**	Not Applicable	The products were garments.
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 workers' interview, the sample making technician was responsible for paper patterns, and she would check and issue it to workshop. But she did not keep the verification or issue records. Besides, the paper patterns were not signed with signature or date.
7.7.2.2	**Are initial samples made in the factory?**	Full Compliance	Yes.
7.7.2.3	**Are production samples made in the factory?**	Full Compliance	Yes.
7.7.2.4	**Are samples checked systematically?**	Full Compliance	Yes.
7.7.2.5	**Are bulk fabrics / yarns checked for shrinkage?**	Full Compliance	Yes.
7.7.2.6	**Are equipment facilities adequate in the sample room?**	Full Compliance	Yes.
7.7.2.7	**Is a dummy fitting form available in the sample room?**	Full Compliance	Yes.

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Initial Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
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.)** **(This clause is applcable only to soft toys products only)**	Not Applicable	The products were garments.
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 workers' interview, the sample making technician was responsible for paper patterns, and she would check and issue it to workshop. But she did not keep the verification or issue records. Besides, the paper patterns were not signed with signature or date.
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	1. The factory established the fabric relaxation procedure and kept the records. But based on documents review, the relaxation time was not enough, e.g. it was only 3 to 8 hours. 2. The factory established the fabric spreading procedure, the height of spreading shall be at most 10cm, but based on on-site observation, it's more than 20cm.
7.7.3.3	**Fabrics/yarns shall be cut according to dye/shade lot.**	Full Compliance	Yes.
7.7.3.4	**White/light colors shall be cut separately from darker shade fabrics/yarn.**	Full Compliance	Yes.
7.7.3.5	**When necessary, is each cut piece individually ticketed with data to give total traceability?**	Full Compliance	Yes.
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)**	Full Compliance	Yes.
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.
7.7.3.8	**Fusing quality shall be monitored through periodic testing of temperature and bond strength with records maintained.**	Not Applicable	Factory does not have fusing machine and does not produce styles that need fusing.
7.7.4	**Sewing, Knitting, and Linking**		

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Initial Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
7.7.4.1	**Sewing lines shall be organized in accordance with process flow, with work instruction.**	Full Compliance	Yes.
7.7.4.2	**Random measurement inspection at end of the sewing line shall be carried out.**	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	Factory does not have knitting machine.
7.7.4.4	**When necessary, are shade lots separated by a colour continuity system?**	Full Compliance	Yes.
7.7.4.5	**Are approved samples displayed in the sewing room?**	Full Compliance	Yes.
7.7.4.8	**Does the factory have a system to manage the labels and hangtags?**	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	Factory producing non-washed program only.
7.7.5.2	**Each batch shall be inspected for critical measurement prior to and after washing.**	Not Applicable	Factory producing non-washed program only.

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Initial Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
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	Factory producing non-washed program only.
7.7.5.4	**Controls shall be in place to ensure that processing cycle times, temperature, and pH are accurately controlled.**	Not Applicable	Factory producing non-washed program only.
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	Factory producing non-washed program only.
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	Factory producing non-washed program only.
7.7.5.7	**Are handfeel and appearance samples available in this section?**	Not Applicable	Factory producing non-washed program only.
7.7.5.8	**Is a light inspection carried out before washing?**	Not Applicable	Factory producing non-washed program only.
7.7.5.9	**Is a light inspection carried out after washing?**	Not Applicable	Factory producing non-washed program only.
7.7.6	**In-process Control/Testing**		
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	The factory did not have embroidery machine. The factory used sub-contractor for embroidery.

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Initial Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
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.
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.
7.7.6.4	**Seconds and overruns products shall be handled as per customer requirements.**	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.
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.**	Not Applicable	The products were jackets. It did not need be tested for flammability.
7.7.6.7	**Filled products being exported to US should have a Law label sewn on to the product.**	Full Compliance	Yes.
7.7.6.8	**Opening and mixing of filling components in Blended filling materials.**	Not Applicable	The factory only used polyester wadding. It was not mixing.
7.7.6.9	**In filling / stuffing section, company 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.
7.7.6.10	**Procedures or W/I for controlling weight of stuffing is per product specification or customer requirement.**	Full Compliance	Yes.

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Initial Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
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 applcable only to soft toys products only)**	Not Applicable	The products were garments.
7.7.8	**Finishing and Pressing**		
7.7.8.1	**Trimming shall be conducted according to customer requirements or internal standards.**	Full Compliance	Yes.
7.7.8.2	**Pressing shall be carried out according to customer requirements or internal standards as appropriate.**	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.
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.
7.7.8.5	**Is a conveyor-belt-type metal detector used?**	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.
7.7.8.7	**Does the factory conduct 100% metal detection?**	Full Compliance	Yes.
7.7.8.8	**Does the factory have a "metal-free" area?**	Full Compliance	Yes.
8	**Personnel Training and Competency**		

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment		Initial Audit	
Clause #	**Sectional Scope & Clause Requirements**	**Assessment Result**	**Audit Findings**
8.1	**Does the company establish training procedures?**	Full Compliance	Yes.
8.2	**Does the company determine necessary competence for personnel performing work impacting product safety, legality and quality?**	Full Compliance	Yes.
8.3	**Does the company regularly identify training needs (including refresher training) for personnel performing work that affects product safety, legality and quality?**	Full Compliance	Yes.
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?**	Full Compliance	Yes.
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?**	Full Compliance	Yes.
8.6	**Are the effectiveness of trainings evaluated?**	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.
8.8	**Are the personnel performing work that affects product safety, legality and quality demonstrably competent to carry out their activity?**	Full Compliance	Yes.

Corrective Action Plan (CAP) Report

Costco GMP Apparel, Hometextile & Soft Toys Factory Assessment

Factory Name:	ANYANG JINGHONG GARMENT CO.,LTD			Factory Representative Name and Signature:	Auditor Signature:
Address:	XINGLONG RD, TANGYIN COUNTRY INDUSTRIAL AREA, AN YANG, HENAN, China				
Report number:	JSASCN18137598	Auditor Name:	Rob Gao	Factory Comments (if any):	
Audit Type:	Initial Audit	CAP Desktop Review done by:			
Audit Date:	May 21-22, 2018	Evidence Reviewed by:			

To be Completed by 3rd party - within 5 working days from Audit Date				To be Completed by Factory - within 10 working 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 by 3rd Party - within 44 days from last audit date		
1	2	3	4	5	6	7	8	9	10	11	12
Clause No.	Original Clause Requirement	Levels 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 company conduct a Process Risk Assessment of hazards potentially introduced during the production, packaging or storage processes?	MINOR	The factory established Product Risk Assessment procedure and conducted Product Risk Assessment. But based on documents review, the risk assessment did not contain all production processes like sub-contracted embroidery and silk-screen, etc., lack of manufacturing parameters (e.g. spread height, stitch length), lack of the chemicals in production (machine oil), did not identify CCP and the corrective actions when the CCP was out of control.								
2.2.6.1	Manufacturing parameters such as pressure, time, temperature	MODERATE	The factory established Product Risk Assessment procedure and conducted Product Risk Assessment. But based on documents review, the risk assessment did not contain all production processes like sub-contracted embroidery and silk-screen, etc., lack of manufacturing parameters (e.g. spread height, stitch length), lack of the chemicals in production (machine oil), did not identify CCP and the corrective actions when the CCP was out of control.								
2.2.6.3	Chemicals / materials used for equipment (e.g. lubricating oils and paints)	MODERATE	The factory established Product Risk Assessment procedure and conducted Product Risk Assessment. But based on documents review, the risk assessment did not contain all production processes like sub-contracted embroidery and silk-screen, etc., lack of manufacturing parameters (e.g. spread height, stitch length), lack of the chemicals in production (machine oil), did not identify CCP and the corrective actions when the CCP was out of control.								
2.2.7.4	Corrective action to be taken where a CCP is out of control	MINOR	The factory established Product Risk Assessment procedure and conducted Product Risk Assessment. But based on documents review, the risk assessment did not contain all production processes like sub-contracted embroidery and silk-screen, etc., lack of manufacturing parameters (e.g. spread height, stitch length), lack of the chemicals in production (machine oil), did not identify CCP and the corrective actions when the CCP was out of control.								
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 company use the results of the approval process to determine acceptable/non acceptable sources?	MINOR	The factory established supplier and sub-contractor management procedure and provided the approved supplier list and evaluation records. But based on documents review, the factory did not provide the evaluation records of fabric supplier "Wujiang Congcong Sichou Co.,Ltd", the records of machine oil, polyester wadding suppliers, etc.								
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.)	MINOR	The factory established supplier and sub-contractor management procedure and provided the approved supplier list and evaluation records. But based on documents review, the factory did not provide the evaluation records of fabric supplier "Wujiang Congcong Sichou Co.,Ltd", the records of machine oil, polyester wadding suppliers, etc.								
3.6.1	Is there a lot identification and traceability system for all raw materials (including packaging), work in progress and finished products?	MINOR	The factory purchased materials by order, most materials were labeled. But based on on-site observation, some raw materials or finished products were not labeled with date, order number, quality status, etc. It's not good for traceability.								

To be Completed by 3rd party - within 5 working days from Audit Date				To be Completed by Factory - within 10 working 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 by 3rd Party - within 44 days from last audit date		
1	2	3	4	5	6	7	8	9	10	11	12
Clause No.	Original Clause Requirement	Levels 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
3.6.2	Are raw materials (including packaging), work in progress and finished products identified to ensure traceability?	MINOR	The factory purchased materials by order, most materials were labeled. But based on on-site observation, some raw materials or finished products were not labeled with date, order number, quality status, etc. It's not good for traceability.								
3.6.3	Can company identify, trace, and locate 100% of finished product lots/batches from raw material (based on random sampling)?	MODERATE	The factory purchased materials by order, most materials were labeled. But based on on-site observation, some raw materials or finished products were not labeled with date, order number, quality status, etc. It's not good for traceability.								
3.6.4	Can company identify, trace, and locate 100% of raw materials used in customer products (based on random sampling)?	MODERATE	The factory purchased materials by order, most materials were labeled. But based on on-site observation, some raw materials or finished products were not labeled with date, order number, quality status, etc. It's not good for traceability.								
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?	MINOR	The factory established the recall procedure and provided the simulate recall records. But based on documents review, the recall did not contain some necessary element, like the contact information of recall team and customers.								
4.1.1	Is the building designed, constructed and maintained to minimize any potential for product contamination?	MINOR	Based on on-site observation, there was some water on the floor in finished products storage area. There were some pest bodies in the corner. It's a risk of cross contamination.								
4.5.1	Are cleaning practices completed so as to minimize risk of contamination?	MINOR	Based on on-site observation, there was some water on the floor in finished products storage area. There were some pest bodies in the corner. It's a risk of cross contamination.								
4.2.1	Is a process flow diagram available?	MINOR	The factory established the Process Flow Chart, but the factory did not identify the CCP.								
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?	MINOR	Based on on-site observation, the factory did not have sufficient storage capacity, some finished products were stored against the wall or window, it's a risk of damp.								
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?	MINOR	The factory established rejects isolation procedure and provided the rejects box in workshop. But based on on-site observation, some rejects were stored in an accepts box in a position of trimming line. It's a risk of mixing.								
4.4.2	Are workers not allowed to have food, drink, or smoke at their work areas?	MODERATE	The factory established procedures for eating, smoking and drinking in workshop. But based on on-site observation, some food or food waste was found in workshop. It's a risk of pest cross contamination.								
4.4.6	Any personal jewelry or other objects prohibited in the production areas for the risk of product contamination?	MODERATE	The factory established jewelry control procedure. But based on on-site observation, some workers wore necklace in workshop. It's a risk of mixing in products.								
4.5.2	Are cleaning, pest control, and process-aid chemicals suitably identified and controlled to prevent the risk of product contamination?	MINOR	Based on on-site observation and management interview, the factory used soap and washing powder to clean the garment. And the sewing machine need use machine oil. But the factory did not provide the chemicals list, the instruction or test reports for the chemicals.								
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.	MODERATE	Based on on-site observation and management interview, the factory used soap and washing powder to clean the garment. And the sewing machine need use machine oil. But the factory did not provide the chemicals list, the instruction or test reports for the chemicals.								

To be Completed by 3rd party - within 5 working days from Audit Date				To be Completed by Factory - within 10 working 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 by 3rd Party - within 44 days from last audit date		
1	2	3	4	5	6	7	8	9	10	11	12
Clause No.	Original Clause Requirement	Levels 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
5.2.2	When chemicals are used as raw materials or ingrediants, does the company have documented procedure for managing, approving and controlling the engineering changes / product changes that may alter the chemical composition of the final product?	MODERATE	Based on on-site observation and management interview, the factory used soap and washing powder to clean the garment. And the sewing machine need use machine oil. But the factory did not provide the chemicals list, the instruction or test reports for the chemicals.								
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?	MODERATE	Based on on-site observation and management interview, the factory used soap and washing powder to clean the garment. And the sewing machine need use machine oil. But the factory did not provide the chemicals list, the instruction or test reports for the chemicals.								
4.6.1	Has the company identified and controlled the risk of pest infestation on the site(by factory internal or erternal third party), through operation of pest control procedures?	MINOR	The factory established the pest control procedure and provided the control records. But based on on-site observation, a rat cage did not have bait. There were some flies or pest in workshop.								
4.6.4	Are bait stations robustly constructed, operational, and effective in eliminating the target pests?	MINOR	The factory established the pest control procedure and provided the control records. But based on on-site observation, a rat cage did not have bait. There were some flies or pest in workshop.								
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?	MINOR	The factory established the pest control procedure and provided the control records. But based on on-site observation, a rat cage did not have bait. There were some flies or pest in workshop.								
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	The light in sewing workshop was 547Lux, light in cutting workshop was 152Lux, light in inspection area of sewing was 483Lux, light in inspection area of cutting was 54Lux, light in materials warehouse was 126Lux, light in finished products warehouse was 104Lux.								
4.8.3	Are tools and other sharp objects used in production controlled?	MODERATE	The factory established sharp tools control procedure and kept the issue and return records. But based on on-site observation, a scissor without unique code was not tethered on the idle machine. It's not under control.								
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?	MINOR	Based on on-site observation, the drying agent was not stored under a controlled environment, the factory did not control the validity of it. Some drying agent was affected with damp and agglomerated. It's a risk of losing efficacy.								
5.2.9	Does the company 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)?	MINOR	Based on on-site observation, the drying agent was not stored under a controlled environment, the factory did not control the validity of it. Some drying agent was affected with damp and agglomerated. It's a risk of losing efficacy.								
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?	MINOR	The factory established the preventive measures for finished products and materials. But based on on-site observation, there were some white fluffy catkins on a pallet of cutting pieces of dark color.								
7.7.1.2	Fabrics shall be inspected according to 4-point, 10-point, or specified system before cutting.	MODERATE	The factory used 4-point to evaluate the fabric, but based on on-site observation and documents review, the factory used inch to evaluate the faults, but the inspector only had a metric tape.								
7.7.1.3	Procedures shall be in place to check shade matching and color to trim on each dye lot.	MODERATE	The factory established color shade inspection procedure, and provided the color card of the ingredients for each order. But the factory only kept the visual inspection records of the ingredients. The factory did not keep the color shade inspection records of the ingredients.								

To be Completed by 3rd party - within 5 working days from Audit Date				To be Completed by Factory - within 10 working 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 by 3rd Party - within 44 days from last audit date		
1	2	3	4	5	6	7	8	9	10	11	12
Clause No.	Original Clause Requirement	Levels 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
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.	MODERATE	Based on workers' interview, the sample making technician was responsible for paper patterns, and she would check and issue it to workshop. But she did not keep the verification or issue records. Besides, the paper patterns were not signed with signature or date.								
7.7.3.1	Paper pattern and markers (whenever applicable) shall be checked and approved prior to cutting.	MODERATE	Based on workers' interview, the sample making technician was responsible for paper patterns, and she would check and issue it to workshop. But she did not keep the verification or issue records. Besides, the paper patterns were not signed with signature or date.								
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.	MODERATE	1. The factory established the fabric relaxation procedure and kept the records. But based on documents review, the relaxation time was not enough, e.g. it was only 3 to 8 hours. 2. The factory established the fabric spreading procedure, the height of spreading shall be at most 10cm, but based on on-site observation, it's more than 20cm.								

Capability & Capacity FA Pre- Audit Questionnaire (PAQ)

Instruction:
1. Supplier/ Factory representatives must complete all the required fields(highlighted in yellow), put N/A if not applicable.
2. Supplier/Factory shall provide accurate informations 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.

1. Factory Overview

Factory Name	ANYANG JINGHONG GARMENT CO.,LTD
Factory Address	XINGLONG RD, TANGYIN COUNTRY INDUSTRIAL AREA, AN YANG, HENAN 456150, China
Factory Phone Number	15261555006
Factory Fax Number	0510-82754889
URL/Web Address	Nil
Name of Contact	TONY
E-mail address	sunny@msinti-cn.com
Year Established	2018
Number of Buildings	2
Total Production Area M^2	5000
Warehouse Area M^2	500

2. Personnel

2.1 Key Staff

	Name	Tel	E-mail	Year(s) in Position at Company	Year(s) at Company
General Manager	teressa	13921158127	teressa@msinti-cn.com	1	1
Quality/Technical Manager	tony	15261555006	tonyxu@msinti-cn.com	1	1
Production Manager	tony	15261555006	tonyxu@msinti-cn.com	1	1
R & D Manager	sunny	15950409343	sunny@msinti-cn.com	1	1
Health & Safety Officer					
Security Representative/Officer					
Equipment Maintenance					
Others (please specify)	Li Jincai	13673335849	Nil	1	1

2.2 Personnel / Headcount by Department

Department	Full time	Part time	Sub Total
Sample	4	0	4
Cutting	18	0	18
Sewing	140	0	140
Trimming, ironing and packing	30	0	30
Office, Admin, Finance, Sale	7	0	7
Machine maintenance	1	0	1
			0
			0
			0
		Grand Total:	200

3. Export Markets

Markets	% of Total Business Volume
U.S. / North America	80
E.U.	5
Asia	0
Others	15
Domestic	

4. Key Clients (past 12 months)

Customers	% Business	Type of Products	Market(s)
Litle Me	80	cotton-padded clothes (3 sets)	US
BREAKAWAY	20	knitting shirt	US

5. Product Capabilities

5.1 What items the factory produced in past 12 months?

Product Category	Years of Experience Producing Product	Actual Units Shipped
cotton-padded clothes (3 sets)	1	2000000 pcs
knitting shirt	1	400000 pcs

5.2 What are the current items being produced?

Product Category	Material	Client	Ship date	Quantity (pcs)
cotton-padded clothes (3 sets)	Fabric, zipper, fastener	Litle Me	2018/05/30	10,000
knitting shirt	Fabric, zipper, fastener	BREAKAWAY	2018/05/30	5,000

SGS

Capability & Capacity FA Pre- Audit Questionnaire (PAQ)

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6. Production Capabilities

In case of power shortage, is back-up generator in place? No

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

6.1 List of Major Machinery / Utilities

Machinery	Type	Quantity	Condition
Metal detector	Local	2	Fully operational
Single needle sewing machine	Brother	120	Fully operational
2 needles sewing machine	Juki	20	Fully operational
Ironing table	Local	10	Fully operational
TACKING MACHINE	Brother	3	Fully operational
Serger	Brother	50	Fully operational
EYELET BUTTONHOLE SEWING	Local make	7	Fully operational
Electric clippers	Gerber	8	Fully operational

6.2 List of Process being subcontracted

Process Subcontracted
Embroidery
Silk-screen

6.3 List of All Main Materials used in past 12 months

Material Name	Imported (Y/N)	Country of Origin
Fastener	N	China
100%polyester faux leather	N	China
100%cotton slub jersey	N	China
zipper	N	China
Carton	N	China
Label	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? No

If Yes, please specify	Certifying Body	Date	Expiry

8. Quality Control Management

Are QA/QC inspectors independent of production? Yes

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

How many QA/QC in total? 3

Name & Signature of Supplier Representative/ Title

COMPANY CHOP

Date (mm/dd/yyyy)

Name & Signature of Factory Representative/Title

COMPANY CHOP

Date (mm/dd/yyyy) 2018-5-20

安阳景虹服饰有限公司

DIGITAL PHOTO FORM

Report No.	JSASCN18137598
Factory	ANYANG JINGHONG GARMENT CO.,LTD
Audit Date	May 21 AM to May 22 PM, 2018

Photo 1) Business license.

Photo 2) Lay out plan.

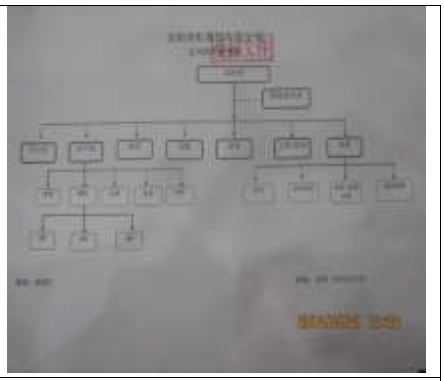

Photo 3) Organization chart.

Photo 4) Factory name.

Photo 5) Factory gate.

Photo 6) Production building.

Photo 7) Raw materials warehouse

Photo 8) Cutting area.

Photo 9) Cutting pieces storage

DIGITAL PHOTO FORM

Report No.	JSASCN18137598
Factory	ANYANG JINGHONG GARMENT CO.,LTD
Audit Date	May 21 AM to May 22 PM, 2018

		
Photo 10) First piece sample	**Photo 11) Fabric inspection.**	**Photo 12) Label on cutting pieces.**
		
Photo 13) Fabric inspection records.	**Photo 14) Fabric relaxation**	**Photo 15) Inspection records for cutting pieces.**
		
Photo 16) Color shade sample.	**Photo 17) Fly-kill lamp.**	**Photo 18) Rat cage without bait.**

DIGITAL PHOTO FORM

Report No.	JSASCN18137598
Factory	ANYANG JINGHONG GARMENT CO.,LTD
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Photo 19) QC room.	**Photo 20) Tension test.**	**Photo 21) Light box.**
		
Photo 22) Sharp point and small item test.	**Photo 23) Calibration label.**	**Photo 24) Sewing workshop.**
		
Photo 25) IPQC in sewing.	**Photo 26) Sewing workshop and first piece sample.**	**Photo 27) Scissor was tied.**

DIGITAL PHOTO FORM

Report No.	JSASCN18137598
Factory	ANYANG JINGHONG GARMENT CO.,LTD
Audit Date	May 21 AM to May 22 PM, 2018

		
Photo 28) QC area of each sewing line.	**Photo 29) Sharp tool and needle storage.**	**Photo 30) Needles records.**
		
Photo 31) Chemicals storage with MSDS	**Photo 32) QC area of each sewing line.**	**Photo 33) Ironing workshop.**
		
Photo 34) Size test.	**Photo 35) Size test instruction.**	**Photo 36) Ironing.**

DIGITAL PHOTO FORM

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Photo 37) Trimming.

Photo 38) Button attaching

Photo 39) Rejects box.

Photo 40) SOP and rejects sample.

Photo 41) Metal detector.

Photo 42) Fe1.2 mm test card.

Photo 43) Handle metal detector.

Photo 44) Packing.

Photo 45) Packing sample.

DIGITAL PHOTO FORM

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Photo 46) FG storage without label.	**Photo 47) Some raw materials or finished products were not labeled with date, order number, quality status, etc.**	**Photo 48) There was some water on the floor in finished products storage area**
		
Photo 49) Pest body in workshop.	**Photo 50) Food waste in workshop.**	**Photo 51) Finished products were stored against the wall and window.**
		
Photo 52) Some rejects were stored in an accepts box in a position of trimming line.	**Photo 53) Some workers wore necklace, bracelet in workshop**	**Photo 54) Light in cutting was 152Lux**
		
Photo 55) Light in inspection area of cutting was 54Lux	**Photo 56) Light in finished products warehouse was 104Lux.**	**Photo 57) A scissor without unique code was not tethered on the idle machine**

DIGITAL PHOTO FORM

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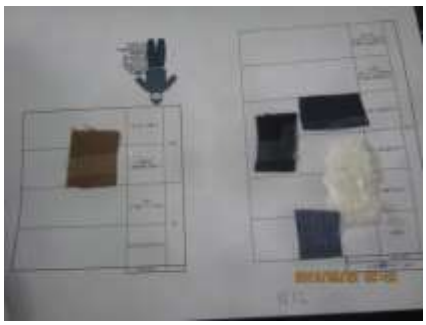
Photo 58) The factory did not control the validity of it. Some drying agent was affected with damp and agglomerated.	**Photo 59) There were some white fluffy catkins on a pallet of cutting pieces of dark color.**	**Photo 60) The height of spreading shall be at most 10cm, but based on on-site observation, it's more than 20cm.**
		
Photo 61) The factory established the fabric relaxation procedure and kept the records. But based on documents review, the relaxation time was not enough, e.g. it was only 3 to 8 hours.	**Photo 62) Rejects storage area.**	**Photo 63) Color card for each order.**