Measured Results - Improved Performance
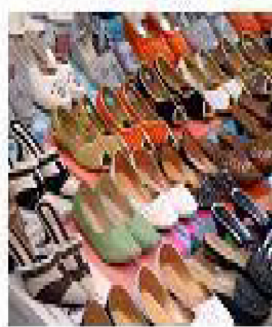
Supplier Qualification Program Assessment Report

Report No: F_IAR_128923_SQP
Audit Date: 30-Apr-2021
Fujian,China

81

intertek
Total Quality. Assured.

Supplier Qualification Program Assessment Report

Report No	F_IAR_128923_SQP
Audit Date	Apr 30, 2021
Assessment Stage	Initial
Audit Location	No.189, Jingbian Industry Zone, Cizao
City	Jinjiang
Country	China
Telephone No	86 15555145911
Fax No	Nil
Auditor(s) Name	Paul Xiao,Tim Shen

Facility Performance Rating

Participating Facilities : 8533

High Performance
Meet Expectations.
Facility demonstrates readiness to assume responsibilities for managing and monitoring compliance activities.

Medium Performance
Further Improvement Needed.
Moderate concern in facility's readiness to assume responsibilities for managing and monitoring compliance activities.
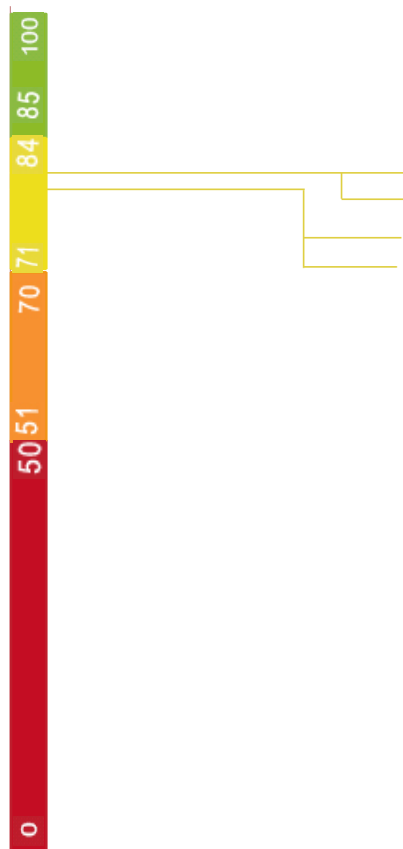
Low Performance
Significant Action Required.
Significant concern in facility's readiness to assume responsibilities for managing and monitoring compliance activities.

Very Low Performance
Urgent Action Required.
Severe concern in facility's readiness to assume responsibilities for managing and monitoring compliance activities.

|	
Facility Score	81
Global Score	81
Country Score	79
Industry Score	79

Facility Profile

Facility Name	Jinjiang Yuxin Arts & Crafts Co., Ltd.
Facility Legal Name	Jinjiang Yuxin Arts & Crafts Co., Ltd.
Contact Name,Title	Mr. Shi Neng Chao / Factory Director
Industry	Hardlines
Products Manufactured	Ceramic crafts (such as ceramic trivet, ceramic coaster)
Production Processes	Printing, heat transfer printing, die-cutting, sticking and packing
Total Number of Machines	21
Main Machine Types	Printing machine, die-cutting machine and heat transfer printing machine etc.
Year facility began operations	2012
Number of buildings the facility operates in	2
Range of total number of employees at the facility	71
Number of shifts and operating hours	One shift per day / 8 hours per shift
Person responsible for overall product safety and quality issues, Title:	Mr. He Jun Dong / Quality Supervisor

Facility Overview

Jinjiang Yuxin Arts & Crafts Co., Ltd. was established in 2012 in current location. The factory started the manufacturing of ceramic crafts since 2012. The main products manufactured by the factory cover kinds of ceramic crafts (such as ceramic trivet, ceramic coaster). The printing, heat transfer printing, die-cutting, sticking and packing processes were taken in factory, no process was sub-contracted. The monthly production capacity was about 1,000,000 pieces. The total land area occupied by the factory was about 5,879 square meters, and the factory consists of two buildings, which were used for production, warehouse, office and dormitory, no canteen room was available. The factory employed around 71 staffs. The factory's main customers were Target and Walmart etc., all products were exported to overseas markets.

I. Facility Performance Summary
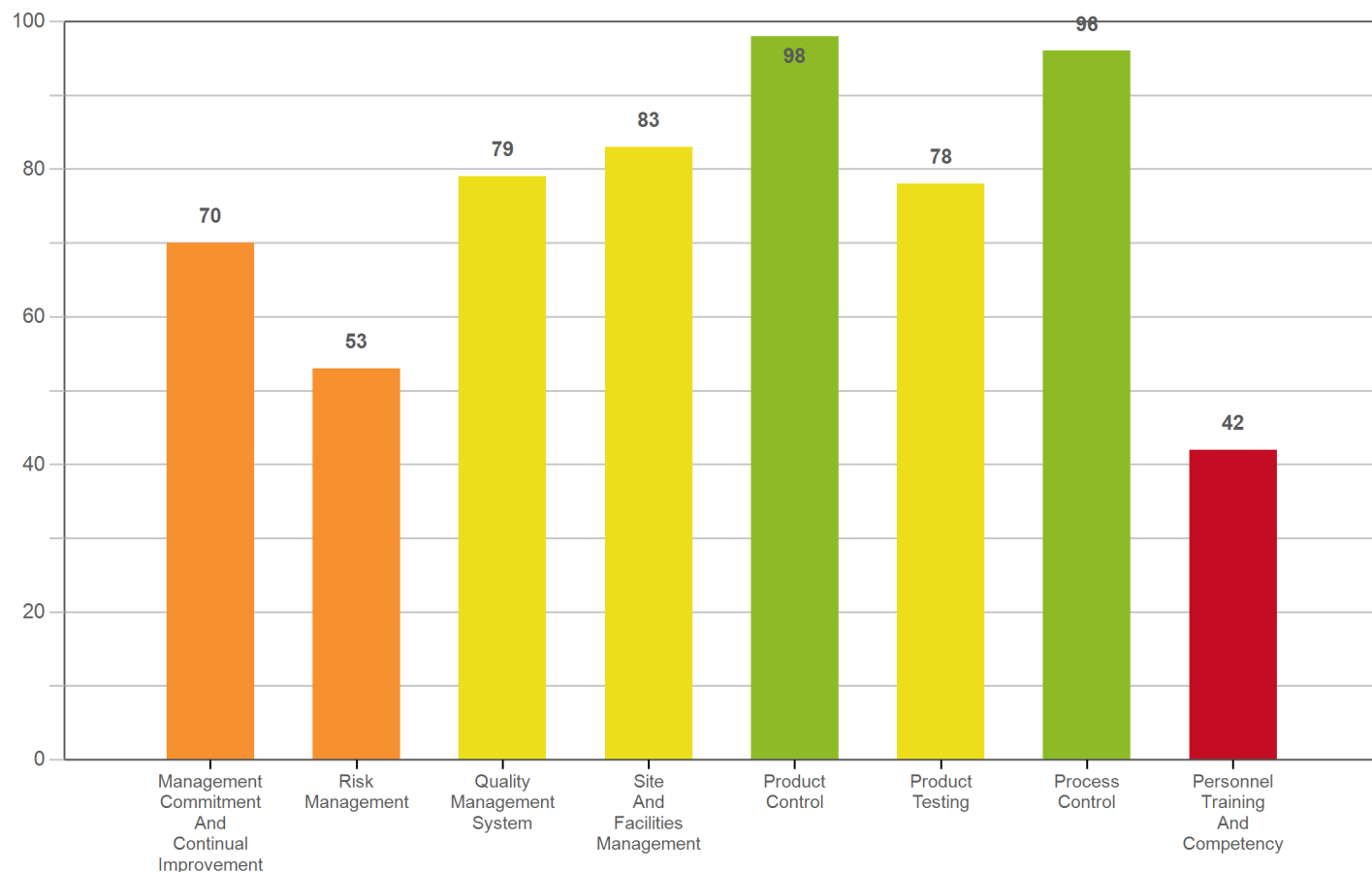
Performance Summary	Overall Compliance(%)	Non Compliance (%)					
		Major		Moderate		Minor	
		# of Questions	%	# of Questions	%	# of Questions	%
Facility Summary	81%	0	0.0%	16	13.2%	15	5.8%

Very Low Performance(0 - 50)   Low Performance(51 -70)   Medium Performance (71 - 84)   High Performance (85 – 100)

II. Key Section Performance Analysis

Key Section Name	Section Compliance		Non Compliance (%)						# of Total Questions
			Major		Moderate		Minor		
	# of Questions	%	# of Questions	%	# of Questions	%	# of Questions	%	
Management Commitment and Continual Improvement	17	70%	0	0.0%	3	14.2%	1	15.6%	21
Risk Management	21	53%	0	0.0%	6	40.3%	2	6.3%	29
Quality Management System	81	79%	0	0.0%	2	13.6%	4	7.1%	87
Site and Facilities Management	47	83%	0	0.0%	2	12.1%	2	4.6%	51
Product Control	52	98%	0	0.0%	0	0.0%	1	1.5%	53
Product Testing	9	78%	0	0.0%	1	13.9%	1	7.8%	11
Process Control	65	96%	0	0.0%	1	1.9%	2	1.9%	68
Personnel Training and Competency	5	42%	0	0.0%	1	40.0%	2	17.6%	8
Overall Total	**297**	81%	**0**	**0.0%**	**16**	**13.2%**	**15**	**5.8%**	**328**

Very Low Performance(0 - 50)　　　Low Performance(51 -70)　　　Medium Performance (71 - 84)　　　High Performance (85 – 100)

III. Performance Trend Analysis

Radar chart legend:
- Current Assessment (30-Apr-2021)
- Last Assessment (Not Applicable)
- First Assessment (Not Applicable)
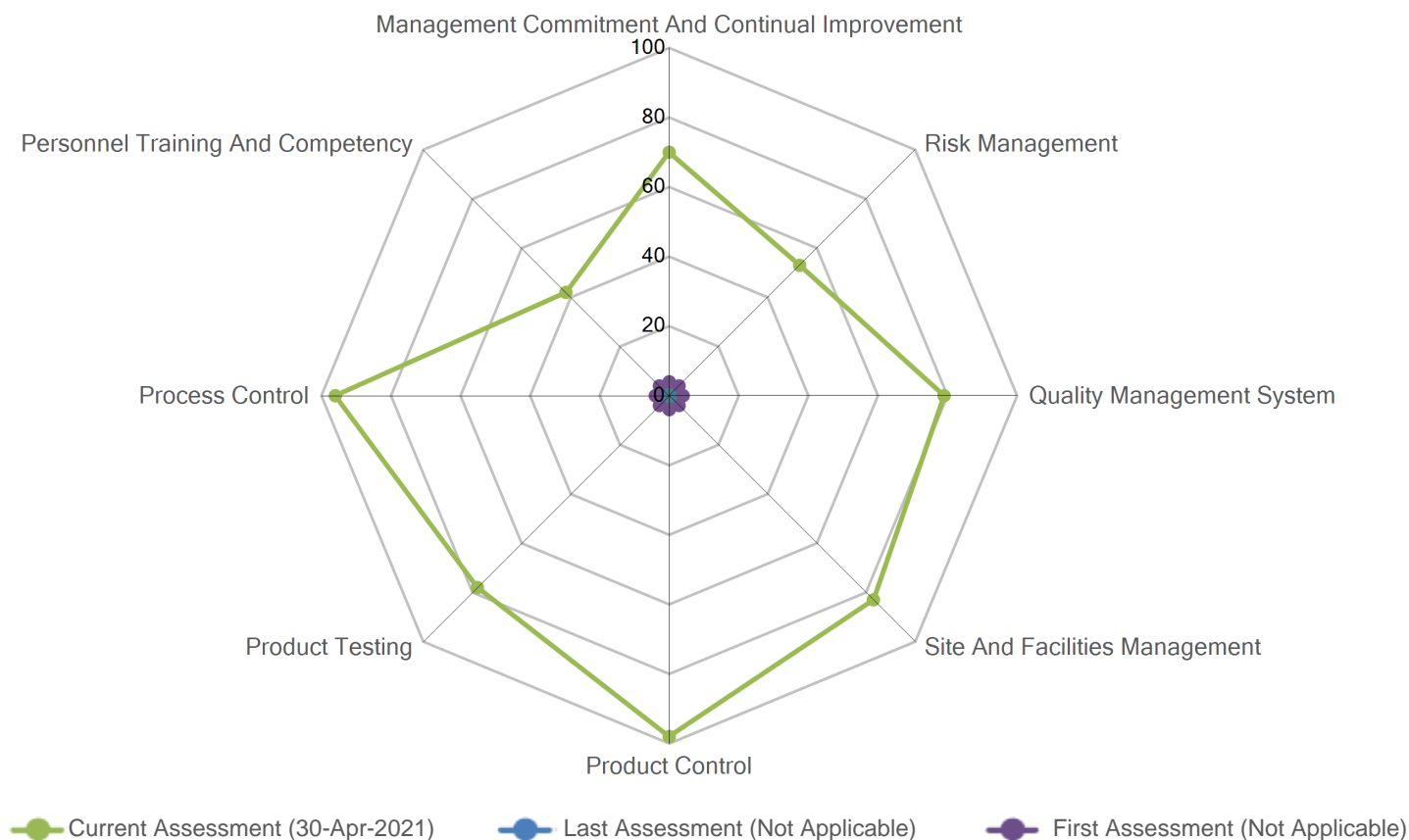
| Section Name	Current	Last	First	Change (Current-Last)	Change (Current-First)
Management Commitment And Continual Improvement	70	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Risk Management	53	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Quality Management System	79	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Site And Facilities Management	83	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Product Control	98	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Product Testing	78	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Process Control	96	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Personnel Training And Competency	42	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Overall Score	**81**	**Not Applicable**	**Not Applicable**	**Not Applicable**	**Not Applicable**

- ▲ Advancers
- ▬ Constant
- ▼ Decliner

IV. Comparison Benchmark
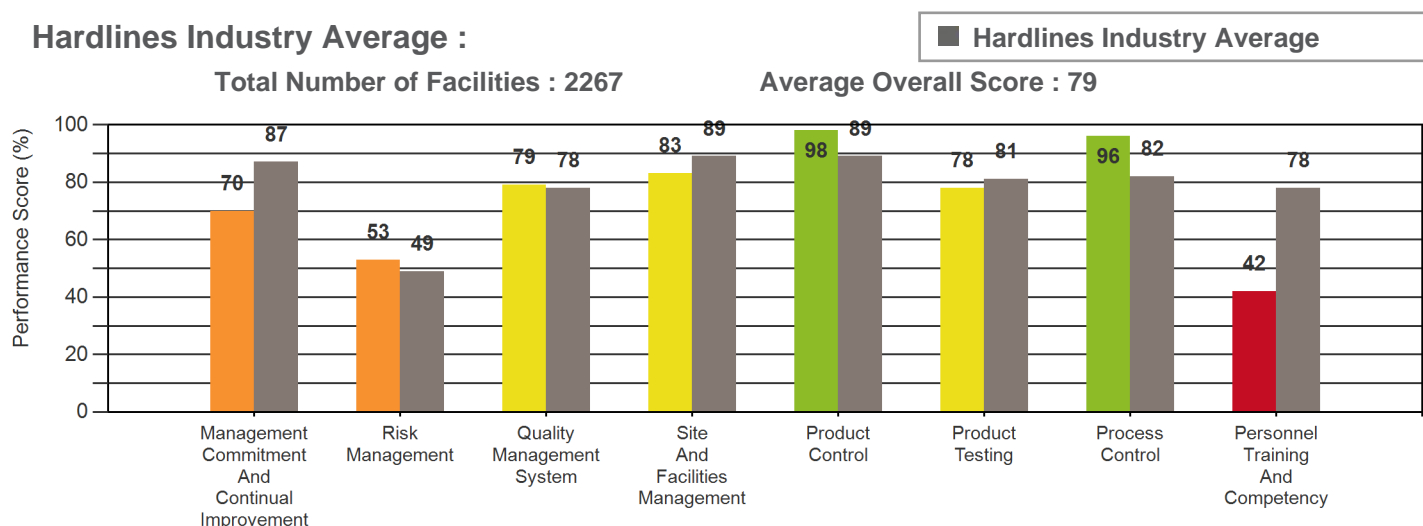
Global Average :

Total Number of Facilities : 8533   **Average Overall Score : 81**

■ Global Average
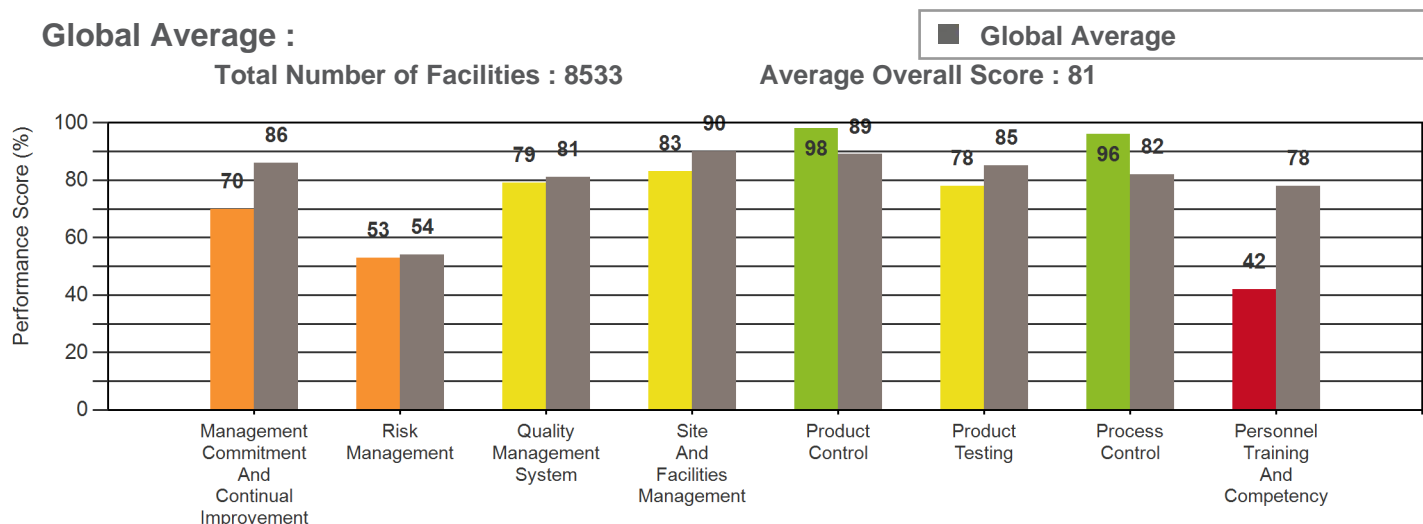
Hardlines Industry Average :

Total Number of Facilities : 2267   **Average Overall Score : 79**

■ Hardlines Industry Average

China Average :

Total Number of Facilities : 5808   **Average Overall Score : 79**

■ China Average

| Very Low Performance(0 - 50) | Low Performance(51 -70) | Medium Performance (71 - 84) | High Performance (85 – 100) |
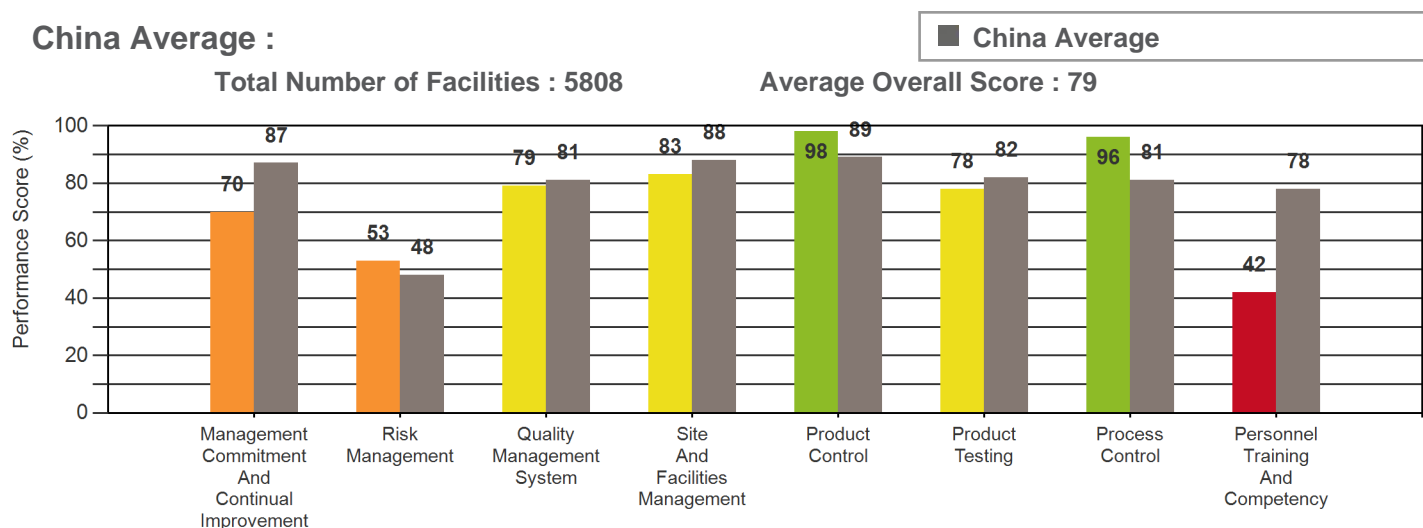
V. Sub Section Comparison Benchmark: Risk Management

■ Current Assessment   ■ Last Assessment   ■ China Average
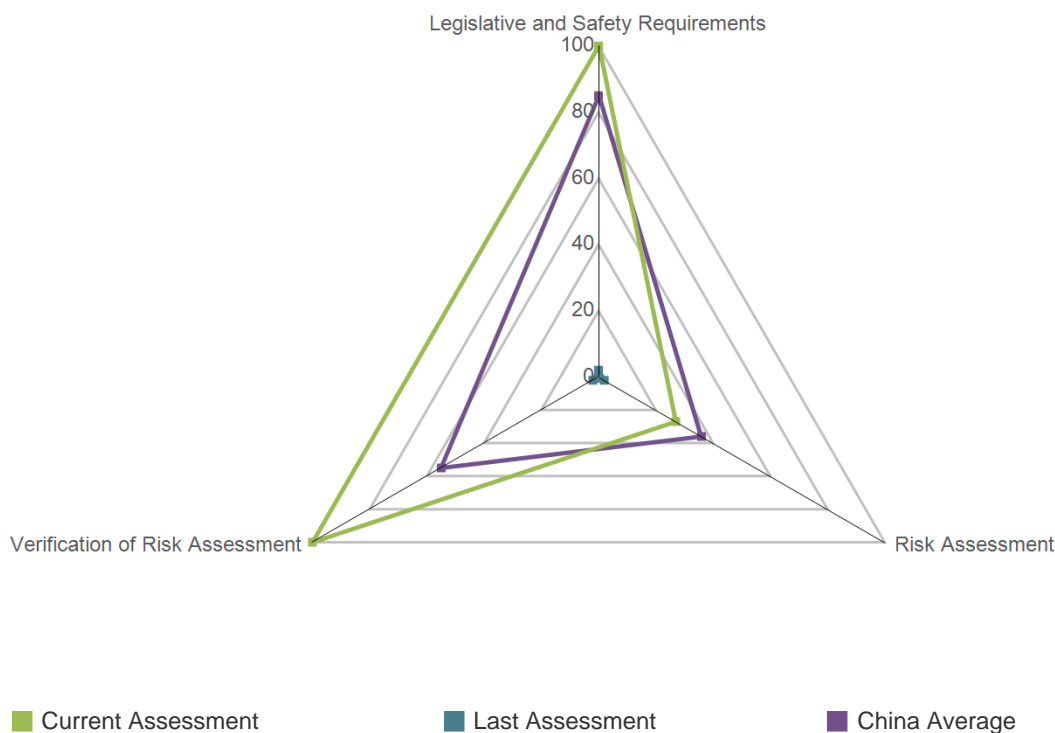
VI. Sub Section Comparison Benchmark: Quality Management System

■ Current Assessment   ■ Last Assessment   ■ China Average

VII. Sub Section Comparison Benchmark: Site and Facilities Management

■ Current Assessment   ■ Last Assessment   ■ China Average
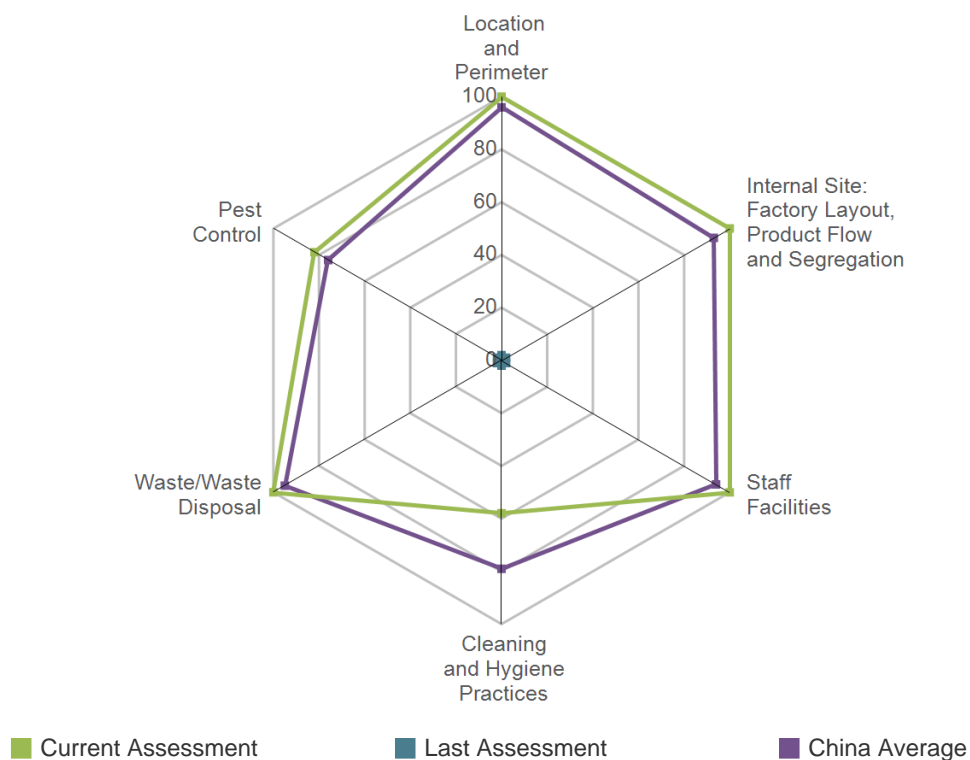
VIII. Sub Section Comparison Benchmark: Product Control

■ Current Assessment   ■ Last Assessment   ■ China Average
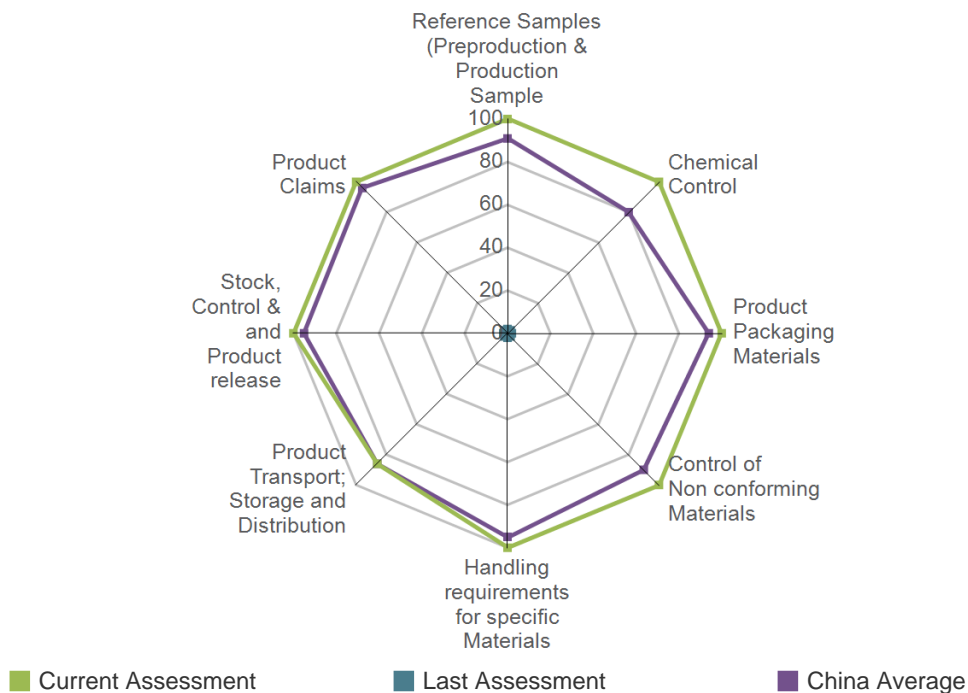
IX. Sub Section Comparison Benchmark: Process Control

■ Current Assessment   ■ Last Assessment   ■ China Average
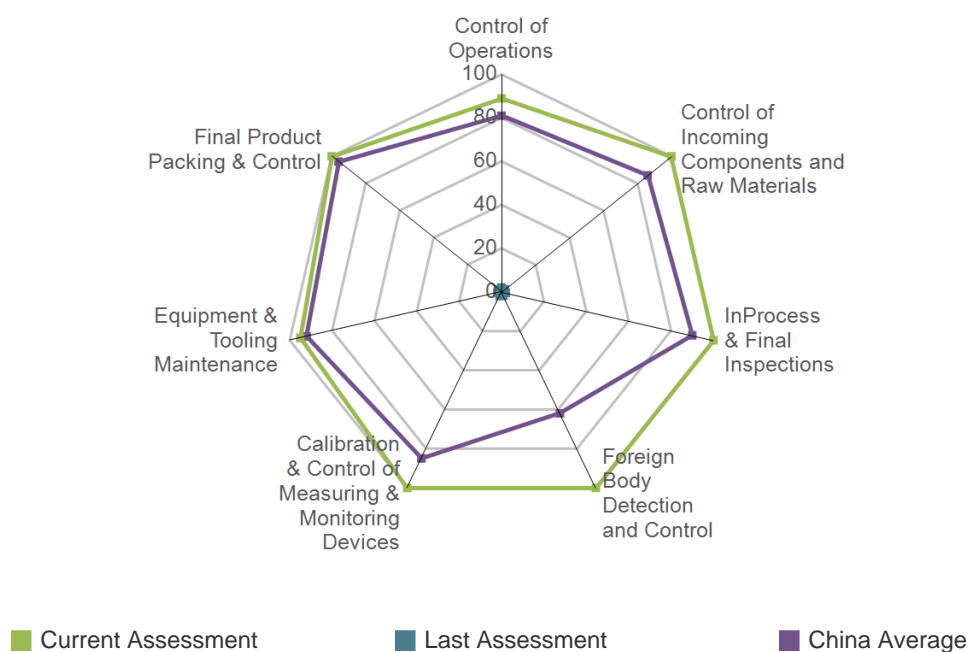
X.Key Strengths and Challenges

Facility Strengths	Rating	Global Freq. of Compliance%
No facility strength defined		

Facility Challenges	Rating	Global Freq. of Compliance%
A few isolated cases are found that training records are not up-to-date nor stored in a secure way such that privacy of personnel is protected.	Minor	97%
The maintenance system does not include periodic maintenance schedules & completion.	Minor	97%
The control plan does not identify critical control points.	Moderate	93%
Inspection documentation for pest control (e.g., log book of completed job/activity) are not maintained.	Minor	92%
Management review does not include the results of previous audits.	Moderate	89%
The 'List of Approved Suppliers & Sub-contractors' is not up-to-date to cover the components, materials and service impacting safety, legality and quality.	Moderate	87%
Internal audits are not carried out by competent personnel, who are independent of the area of operation being assessed.	Moderate	87%
Cleaning practices are not completed effectively so as to minimise risk of contamination.	Moderate	87%
Most of the improvement actions are not implemented within the agreed timescales.	Minor	87%
Testing procedure/programme does not include the stages (e.g., pre-production, production) where testing is to be performed.	Moderate	85%

Top 10 Challenges For Hardlines Industry

Rating	Challenges	Facility Performance
Moderate	Management review does not include risk management.	NC
Moderate	Testing procedure/programme does not include test sampling plan.	C
Moderate	The product risk assessment does not address user types.	NC
Moderate	The process risk assessment does not identify the accept / reject limits defined for each control point.	C
Major	The company does not have a system to identify and trace raw materials through to finished goods, and vice versa.	C
Moderate	Management review does not include statutory and regulatory requirements.	NC
Moderate	The product risk assessment does not address product use.	NC
Moderate	The product risk assessment does not determine the possible Hazard/Risk identification.	NC
Moderate	The process risk assessment does not address the manufacturing parameters.	C
Moderate	Sharp tools are not permanently attached to benches.	C

Top 10 Challenges For China

Rating	Challenges	Facility Performance
Moderate	Management review does not include risk management.	NC
Moderate	Sharp tools are not permanently attached to benches.	C
Moderate	Testing procedure/programme does not include test sampling plan.	C
Moderate	The product risk assessment does not address user types.	NC
Moderate	The process risk assessment does not address the manufacturing parameters.	C
Moderate	Management review does not include statutory and regulatory requirements.	NC
Moderate	The product risk assessment does not determine the possible Hazard/Risk identification.	NC
Moderate	The process risk assessment does not identify a list of potential risk or hazards in the production process.	NC
Moderate	The process risk assessment does not identify the accept / reject limits defined for each control point.	C
Moderate	The product risk assessment does not address product use.	NC

C	Compliance	NC	Non Compliance

XI. Opportunities for Improvement

Performance Rating

Very Low Performance(0 - 50)	Low Performance(51 - 70)	Medium Performance (71 - 84)	High Performance (85 – 100)

70%   **Section: Management Commitment and Continual Improvement**

SubSection: Management Commitment and Continual Improvement

Current (30-Apr-2021)	Last (NA)	ID	Findings	Global Freq. of Compliance %
Moderate	N/A	15.01	• Management review does not include the results of previous audits. *The management review would be taken one time per year, and the latest management review was taken on October 16, 2020. However, the second party audit result was not included in management review record.*	89%
Moderate	N/A	15.08	• Management review does not include risk management. *The management review would be taken one time per year, and the latest management review was taken on October 16, 2020. However, the risk management was not included in management review record.*	62%
Moderate	N/A	15.09	• Management review does not include statutory and regulatory requirements. *The management review would be taken one time per year, and the latest management review was taken on October 16, 2020. However, the statutory and regulatory requirements was not included in management review record.*	70%
Minor	N/A	17.00	Most of the improvement actions are not implemented within the agreed timescales. *The management review would be taken one time per year, and the latest management review was taken on October 16, 2020. However, the factory did not define an agreed timescales for improvement action on management review.*	87%

53%   **Section: Risk Management**

SubSection: Risk Assessment

Current (30-Apr-2021)	Last (NA)	ID	Findings	Global Freq. of Compliance %
Minor	N/A	24.00	The company establish a product risk assessment but it does not completely cover the necessary elements. *The product risk assessment record was incomplete, which the user type and product use were not addressed. Also, the potential physical risk (such as sharp edge and sharp point) was not identified.*	26%
Moderate	N/A	26.01	• The product risk assessment does not address user types. *The product risk assessment record was incomplete, which the user type was not addressed.*	72%
Moderate	N/A	26.02	• The product risk assessment does not address product use. *The product risk assessment record was incomplete, which the product use was not addressed.*	75%
Moderate	N/A	27.01	• The product risk assessment does not determine the possible Hazard/Risk identification. *The product risk assessment record was incomplete, which the potential physical risk (such as sharp edge and sharp point) was not identified.*	73%

Minor	N/A	28.00	The company conduct process risk assessment of hazards potentially introduced during the production, packaging or storage processes but it does not completely cover the necessary elements. *The process risk assessment record was incomplete, which the conditions of equipment and calibration of equipment were not taken into account. Also the potential risks for IPQC and loading processes were not identified during process risk assessment.*	22%
Moderate	N/A	29.02	• The process risk assessment does not address the conditions of equipment, moulds, dies, machinery. *The process risk assessment record was incomplete, which the conditions of equipment was not taken into account.*	83%
Moderate	N/A	29.04	• The process risk assessment does not address calibration of equipment. *The process risk assessment record was incomplete, which the calibration of equipment was not taken into account.*	73%
Moderate	N/A	30.01	• The process risk assessment does not identify a list of potential risk or hazards in the production process. *The process risk assessment record was incomplete, which the potential risks for IPQC and loading processes were not identified during process risk assessment.*	74%

79% **Section: Quality Management System**

SubSection: Internal Audit

Current (30-Apr-2021)	Last (NA)	ID	Findings	Global Freq. of Compliance %
Moderate	N/A	67.00	Internal audits are not carried out by competent personnel, who are independent of the area of operation being assessed. *The latest internal audit was taken on September 17, 2020. However, total two internal auditors were available, but all of them were not qualified.*	87%

SubSection: Purchasing, Supplier & Sub-contractor Approval and Performance Monitoring

Current (30-Apr-2021)	Last (NA)	ID	Findings	Global Freq. of Compliance %
Moderate	N/A	70.00	The 'List of Approved Suppliers & Sub-contractors' is not up-to-date to cover the components, materials and service impacting safety, legality and quality. *The approved supplier list was incomplete, which the service supplier such as logistics and calibration company were not listed.*	87%
Minor	N/A	75.00	The company does not determine how exceptions are handled, where the use of products or services of unapproved suppliers are acceptable under emergency or unusual circumstances. *The work instruction to control the use of products or services of unapproved suppliers under emergency or unusual circumstances was not available.*	72%

SubSection: Identification & Traceability

Current (30-Apr-2021)	Last (NA)	ID	Findings	Global Freq. of Compliance %
Minor	N/A	85.00	A few isolated cases are found that raw materials, packaging, processing aids, intermediate/semi-processed products, part-used materials, finished products, re-work and non-conforming materials are not clearly identified of lots/batches during all stages of receipt, production, storage and dispatch. *In the incoming ceramics storage area on 3rd floor, 2 batches out of total 5 batches checked ceramics were not identified, information such as product type, quantity, incoming date and inspection status could not be verified.*	47%

Minor	N/A	91.00	The effectiveness of the traceability system regularly are not tested, at least annually.	58%
			The product traceability system was not tested, and test record for effectiveness of traceability system was not available.	

SubSection: Incident, Product Withdrawal and Product Recall

Current (30-Apr-2021)	Last (NA)	ID	Findings	Global Freq. of Compliance %
Minor	N/A	94.00	The company does not have a written agreements/consensus in place with relevant parties in the supply chain regarding the product withdrawal/recall.	65%
			The factory did not have written agreement in place with supplier regarding the product recall.	

83% Section: Site and Facilities Management

SubSection: Cleaning and Hygiene Practices

Current (30-Apr-2021)	Last (NA)	ID	Findings	Global Freq. of Compliance %
Moderate	N/A	150.00	Cleaning practices are not completed effectively so as to minimise risk of contamination.	87%
			In the packing materials warehouse on 5th floor, the roof was covered with cobwebs.	
Moderate	N/A	158.04	• Eating, drinking and smoking in production/packaging area are not prohibited.	75%
			In the final packing workshop on 4th floor, the drinking bottles were placed on worktable.	

SubSection: Pest Control

Current (30-Apr-2021)	Last (NA)	ID	Findings	Global Freq. of Compliance %
Minor	N/A	173.00	Inspection documentation for pest control (e.g., log book of completed job/activity) are not maintained.	92%
			The pest control record from October to December 2020 was not available.	
Minor	N/A	182.00	A few isolated cases are found that fly-killing devices and/or pheromone traps are not correctly sited or not functioning.	83%
			No fly killer was equipped in final packing workshop.	

98% Section: Product Control

SubSection: Product Transport; Storage and Distribution

Current (30-Apr-2021)	Last (NA)	ID	Findings	Global Freq. of Compliance %
Minor	N/A	228.00	A few isolated cases are found that preventive measures (e.g., protection or suitable packaging) are not taken to ensure the transport, storage and distribution across the supply chain minimise the risk of contamination and damage.	66%
			In the final packing workshop on 4th floor, about 20% packing materials and packed products were stored against wall and not raised off floor.	

78% **Section: Product Testing**

SubSection: Product Testing

Current (30-Apr-2021)	Last (NA)	ID	Findings	Global Freq. of Compliance %
Minor	N/A	247.00	Documented testing procedure/programme was incomplete or not established for a few products or group of similar products. *The product testing program was incomplete, which the different stages was not defined.*	58%
Moderate	N/A	248.01	● Testing procedure/programme does not include the stages (e.g., pre-production, production) where testing is to be performed. *The product testing program was incomplete, which the different stages was not defined.*	85%

96% **Section: Process Control**

SubSection: Control of Operations

Current (30-Apr-2021)	Last (NA)	ID	Findings	Global Freq. of Compliance %
Moderate	N/A	283.01	● The control plan does not identify critical control points. *The critical control point was not identified in product quality control plan.*	93%
Minor	N/A	285.00	A few processes are not monitored as per defined operating parameters nor controlled within the contol limits. *In the heat transfer printing workshop on 3rd floor, the daily parameters monitoring record for heat transfer printing was not available.*	66%

SubSection: Equipment & Tooling Maintenance

Current (30-Apr-2021)	Last (NA)	ID	Findings	Global Freq. of Compliance %
Minor	N/A	710.01	● The maintenance system does not include periodic maintenance schedules & completion. *The daily maintenance checking record for die-cutting machine was not available.*	97%

42% **Section: Personnel Training and Competency**

SubSection: Personnel Training and Competency

Current (30-Apr-2021)	Last (NA)	ID	Findings	Global Freq. of Compliance %
Minor	N/A	719.00	The company does not regularly identify training needs (including refresher training) for personnel performing work that affects product safety, legality and quality. *The training needs investigation was not taken, and the training needs investigation record was not availble.*	84%

Moderate	N/A	722.00	Personnel, who have a direct effect on the product safety, quality or legality, are not trained on risk assessment procedures or outcomes as necessary for their activity. *The product and process risk assessment training to staffs was not taken, and no risk assessment training record was available.*	60%
Minor	N/A	724.00	A few isolated cases are found that training records are not up-to-date nor stored in a secure way such that privacy of personnel is protected. *The training record for die-cutting operator on production skills was not available.*	97%

Recommendation for Improvement Plan Timeline

Finding Rating	Improvement Timeline
Major	Take action within **0 ~ 1 month** to make necessary improvements
Moderate	Take action within **0 ~ 3 months** to make necessary improvements
Minor	Take action within **0 ~ 6 months** to make necessary improvements

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