



Factory Capability & Capacity Audit (FCCA) APPAREL

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Third party report No.:	A5090301	Audit Conducted via:	ON-SITE	FCCA Report No.:	WGSECCA31-CN202307-36208507
SUBJECT:	FCCA RATING	Factory Type:	Existing Factory	AUDIT TYPE:	PERIODIC AUDIT
Audit Date:	July 12, 2023	Score:	75.5%	FINAL AUDIT RESULT:	PASS

We would like to thank you for your cooperation during our Factory Capability & Capacity Audit held last **July 12, 2023** (date) at **Superb Textile(Jiashan) Co., Ltd.** (Factory Name/ Factory ID) under **Superb International Co., Ltd.** (Supplier Name /Supplier ID).
 with FCCA score **75.5%** The factory have Non-Compliances (NC) observed during the audit and/or Conditions that were deemed to affect Production and Quality processes. Please work closely with your factory to remedy these NCs to prevent future rejection.

The following conditions apply:

- The completed Corrective Action Plan (CAP) by factory management must be accomplished and sent to third party office, **no more than 90 days** from the audit date.
- Follow-up audit (Announced or Un-announced), on the discretion of Walmart's Quality & Technical teams may be conducted after factory's submission of completed/closed Corrective Action Plan (CAP) and validated by 3PS.
- It is also expected that the Supplier on record will closely assist and monitor assigned factory in performing action plans and completion dates indicated.
- Please note that factory management must strictly implement Corrective Action Plan (CAP) based on target completion dates stipulated on the "Quality Summary" form accomplished by factory. Failure of factory to rectify observed Non-Compliances that widely contributes to factory's poor performance and unacceptable quality may result to cancellation of orders and will later be reviewed with Sourcing Team if future orders would still be placed.**

Thank you for your usual assistance and support to WALMART's Factory Capability and Capacity Audit (FCCA) Program.

Sincerely,

Webster Lin

3PS Factory Auditor/Supervisor

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FACTORY EVALUATION RATING RESULTS

SECTION	PASS %	TOTAL POSSIBLE POINTS	TOTAL ACTUAL POINTS	TOTAL N/A	TOTAL ADJUSTED POINTS	TOTAL PERCENTAGE
1. On-site Laboratory	60%	30	20	0	30	66.7%
2. Sample Room, Pattern and Marker Making	60%	70	35	10	60	58.3%
3. Warehousing of Fabric, Yarns, Trims & Accessories	70%	50	35	0	50	70.0%
4. Spreading, Cutting & Fusing	65%	530	392	10	520	75.4%
5. Sweater						
6. Production Processes						
8. Pressing						
9. Finishing / Repair / Packing	75%	80	50	10	70	71.4%
7. Inspection Processes						
10. Printing	60%	170	50	120	50	100.0%
11. Embroidery						
12. Laundry	70%	70	45	20	50	90.0%
13. Product Safety & Satisfaction						
Total Points		1000	827	170	830	75.5%
Final Audit Score	75.5%					

Assessment Criteria:

Score	Rating Guide	Result	Remark	CAP
80 - 100%	A - Good	PASS	Without critical point rating Zero (0)	CAP must be completed MAX 90 days after the audit date
60 - 79%	B - Acceptable	PASS	Without critical point rating Zero (0)	CAP must be completed MAX 90 days after the audit date
<59%	C - Unacceptable	FAIL		CAP must be completed MAX 90 days after the audit date

IMPORTANT

- All factories must achieve an FCCA score of at least 60%, with all critical control points being met
- CAP to be generated for any score that falls in either 3 or 0 and/or for any critical safety checkpoints
- Factory which scores zero on CRITICAL questions will be rated "C-Unacceptable" until corrections are completed and validated by 3rd party auditors and reviewed & approved by WGS MOE/OA team if FAIL CONCESSION can be processed (if FCCA is >60%).
- Factory must correct all NCs indicated in the CAP within a specific time period or if the completed CAP is not received within 90 days of the audit date, the factory will become inactive and not eligible to receive a Walmart purchase order until the CAP is received, validated & approved.

EXECUTIVE SUMMARY

BASIC INFORMATION
This facility was located at B-2 Factory No.8 Cuckoo Road, Dayun Town, Jiashan County, Jiaxing City, Zhejiang Province, China. The total production and storage area was about 4,600 m ² . They started their operation since 2017. The main products manufactured by the facility were hat, scarf and gloves. The facility's main customers were C&A, Joefresh, TU, WM and Hema. 100% products were exported to overseas markets. NOTE: The discrepancies were found between the pre-audit questionnaire and actual situation -"Product Category Produced"" Current Major Customers" were incorrect and incomplete in the questionnaire. "
CAPABILITY
The facility at least have 6 years experience in the manufacturing of hat, scarf and gloves. All products were exported to overseas markets, e.g. US, Europe etc. During the facility audit, the manufacturing processes of winding, knitting, cutting, embroidery, sewing, pressing, packaging were observed. Based on the findings from the assessment, it was considered that the facility does have necessary manpower, facilities, equipment to produce hat, scarf and gloves. NOTE: The discrepancies were found between the pre-audit questionnaire and actual situation. "Sampling Lead Time", "Production Lead Time", "Product Range: Products and Quantity Produced in Past 2 years", "Type and Number of machinery", "Main Raw Materials used in past 2 years", "Type and Number of machinery/es" were incorrect and incomplete. The correct information, please see the "Capability" section in this audit form.
CAPACITY
The facility had provided necessary manpower, facilities and equipment to produce hat, scarf and gloves. Based on the facility's presentation and the information collected from the on-site observation, the facility employed around 66 peoples, the max monthly production capacity for accessories was about 1,100,000 pcs. Based upon the information acquired in the interview with the facility's representative, reviewing the records and the observation during the tour of the facility facilities, it was considered the manufacturer had the necessary manpower and experience to produce hat, scarf and gloves. NOTE: The discrepancies were found between the pre-audit questionnaire and actual situation. -"Monthly Capacity by Product Types""Units per Month by Product Category""Containers per Month""Annual Volume""Estimated Annual Volume"" Number of Employees""Production Area""Total Storage Capacity"" were incorrect and incomplete in the questionnaire. Complete information please see the "Capacity" section in this audit form."
QUALITY MANAGEMENT SYSTEM
The quality system was established based on ISO9001:2015 standard. The operation procedure and related working instructions were established and all the documents are easy to be accessed. During the facility audit, the operation was smooth and the operators were trained, however, the manufacturer should make improvement in those areas that listed in the supplier CAP, and the quality management system was met the requirement of Wal-mart. Comparing the Non-Conformances (NCs) identified during the current audit and the previous CAP from the last audit: 6 out of 13 NCs identified in the last audit have been improved, but the factory still failed in 2.07 Lighting of sample making room, 3.0.5 Lighting of fabric inspection area, 6.06 Housekeeping, 6.13 Lighting of sewing area, 7.06 Lighting of inline inspection area, 9.05 Lighting of final inspection area and packing area and 9.05 Housekeeping. New NCs identified in this audit: 6.03 Proper training and 6.10 maintenance of machine.
CONCLUSION/RECOMMENDATION:
Total 2 units winding machine, 40 units knitting machines, 4 units cutting machine, 1 unit linking machine, 1 unit embroiding machine, 1 unit die-cutting machine, 124 units sewing machine, 1 unit heat setting machine, 3 units ironing table machine, 1 unit Metal detector were used by the factory. The total number of employee was 66 peoples, and QA/QC team has 1 management staff and 3 quality inspectors etc. Based on the evaluation results and findings mentioned above, it was considered that the facility does have necessary manpower, machinery and capability to produce hat, scarf and gloves. Products intended for WM are hat, scarf and gloves. The quality system had been established, implemented and maintained by the facility, however, the manufacturer should make improvement in those areas that listed in the CAP.
0" score critical check points are: Nil
3" score critical check points are: Nil

See Corrective Action Plan (CAP)