

## SUPPLIER CAPABILITY ASSESSMENT

### General Details

<b>Factory Name</b>	Guangzhou Zexin Leather Co., Ltd
<b>Factory and Audit Location</b>	B Building, No. 788 European Industrial Zone, Yiqun Village, Shiling Town, Huadu District, Guangzhou City, Guangdong province, China.
<b>Audit date</b>	17 August 2015
<b>Supplier Name</b>	Guangzhou Zexin Leather Co., Ltd
<b>Registered Company Name</b>	Guangzhou Zexin Leather Co., Ltd
<b>Supplier Location</b>	B Building, No. 788 European Industrial Zone, Yiqun Village, Shiling Town, Huadu District, Guangzhou City, Guangdong province, China.
<b>Business Registered Address</b>	B Building, No. 788 European Industrial Zone, Yiqun Village, Shiling Town, Huadu District, Guangzhou City, Guangdong province, China.
<b>Business Registration Number</b>	440121000054992
<b>Objective of this Audit</b>	This Site Verification is intended to confirm that data provided by the company matches the actual situation at the site. The document should assist prospective buyers in their process of qualifying potential factories
<b>Products being produced in the factory</b>	Fashion accessories-handbags
<b>Validity Period</b>	28 October 2010~ 1 May 2016
<b>Supplier &amp; Factory relationship</b>	They are the same one.

### Executive Summary

The audit factory is located at B Building, No. 788 European Industrial Zone, Yiqun Village, Shiling Town, Huadu District, Guangzhou City, Guangdong province, China. The factory occupies about 4,000 square meters. The factory rents a half floor on the 1st and 2nd floor and a whole floor on the 3rd floor of a 5 storey building. The factory rents the 6th floor of a 6 storey building for canteen and dormitory.  
 Total number of employees is 74. Type of ownership is privately owned.  
 The factory specialises in the production of fashion accessories-handbags.  
 Main production processes are cutting, sewing, hand working, assembly and packing.  
 Monthly capacity is about 80,000 pieces.  
 Current Export Markets are Europe and USA.

Audited by		Checked by		Approved by	
Name	Vilin Liao	Name	Merry Liao	Name	Harry Lin
Title	Auditor	Title	Audit Coordinator	Title	Manager, CSR & Factory Audit
Date	17 August 2015	Date	20 August 2015	Date	21 August 2015



## Supplier Capability Assessment

*The above reflects our findings for the particular factory in concern on the date of our service only. The report does not certify, confirm or imply: a) Compliance with any government, industry or association regulations or standards, unless stated otherwise; or b) the quality of any specific products manufactured by the factory/sellers/suppliers; or c) the shipment of any specific products. This report does not discharge or release the factory/sellers/suppliers from their commercial, legal or contractual obligations with buyers in respect of products manufactured by the factory/sellers/suppliers. Our services, including reports and certificates are subject to the general conditions of TSGI, which have been sent to your company. They can be resent upon written request. This report cannot be partially copied. Any reader other than the party for which this report has been specifically issued is hereby informed that the General Conditions of Service of TSGI contain liability limitation provisions. No documentation or records were reviewed to verify the factory representative's statements.*

## Section 1: General Information

<b>Business Type:</b> Manufacturer <span style="float: right;">Documented</span>	<b>Current Export Markets/Countries:</b> Europe, USA <span style="float: right;">Interviewed Documented</span>
<b>Total Capitalization:</b> USD 12,000,000 <span style="float: right;">Interviewed</span>	<b>Total Annual Sales:</b> USD 12,000,000 <span style="float: right;">Interviewed</span>
<b>Year company was established:</b> 2010 <span style="float: right;">Documented</span>	<b>Payment Terms:</b> Bank transfer <span style="float: right;">Interviewed</span>
<b>Major Customers:</b> OTTO Group, Desigual, Charming Charlie, Imoshion, Joma Jewellery, Manor etc. <span style="float: right;">Interviewed</span>	<b>Brand Names:</b> Designal, Charming, Charlie, Imoshion, Katie Loxton, Maddison, New Direction <span style="float: right;">Interviewed</span>
<b>Type of ownership:</b> Privately Owned <span style="float: right;">Interviewed Documented</span>	<b>Export License:</b> Yes <span style="float: right;">Documented</span>
<b>Nearest Airport &amp; Distance by road from airport:</b> From factory to Guangzhou Baiyun Airport is about 25 Kilometres <span style="float: right;">Interviewed</span>	<b>Type of Products:</b> Fashion accessories-handbags <span style="float: right;">Interviewed Documented Observed</span>
<b>Product Export Percentage:</b> 95% <span style="float: right;">Interviewed</span>	<b>Certifications:</b>
<b>Test Reports:</b> Factory representative claimed they conducted function test and appearance check internally. <span style="float: right;">Documented Observed</span>	<b>Company Development /Expansion Plans:</b>

Remark: Documented : Substantiated by documents provided to the auditor;

Interviewed : As stated by the supplier Observed Observed by the auditor at the factory

## Section 2: Production Capabilities

<b>Company building information:</b> Rented <input type="button" value="Documented"/> <input type="button" value="Interviewed"/>	<b>Number of Staff:</b> 74 <input type="button" value="Documented"/> <input type="button" value="Interviewed"/>
<b>R &amp; D Staff:</b> 4 <input type="button" value="Documented"/> <input type="button" value="Interviewed"/>	<b>Number of Engineers:</b> 1 <input type="button" value="Documented"/> <input type="button" value="Interviewed"/>
<b>Number of Subcontractors used by Factory:</b> 0 <input type="button" value="Interviewed"/> <input type="button" value="Observed"/>	<b>Number of Production Lines:</b> 0 <input type="button" value="Interviewed"/> <input type="button" value="Observed"/>
<b>Factory Size:</b> About 4,000 square meters. <input type="button" value="Documented"/> <input type="button" value="Interviewed"/>	<b>Factory Buildings:</b> Half floor on the 1st and 2nd floor and a whole floor on the 3rd floor of a 5 storey building. <input type="button" value="Interviewed"/> <input type="button" value="Observed"/>
<b>Dormitory Buildings:</b> The 6th floor of a 6 storey building for Dormitory <input type="button" value="Observed"/> <input type="button" value="Interviewed"/>	<b>Monthly Capacity:</b> About 80,000 pieces/month <input type="button" value="Interviewed"/>
<b>OEM Capability:</b> About 80,000 pieces/ Month <input type="button" value="Interviewed"/>	<b>Quality Control Responsibility:</b> In-house <input type="button" value="Documented"/> <input type="button" value="Interviewed"/> <input type="button" value="Observed"/>

Description of Machinery Used						
Name of Machinery	Type / Model	Specification	Quantity	Year Made	Service Date	Condition
Cutting machine	JDM11-6H		3	2010		Good
Computer Sewing machine	PLK-E2010D		3	2010		Good
Sewing machine	CW-8B		40	2010		Good
Folding machine			3	2010		Good
Mark pressing machine	SC80X50		1	2010		Good

Remark:  : Substantiated by documents provided to the auditor;

: As stated by the supplier  Observed by the auditor at the factory



## Section 3: Quality Systems

- Quality is monitored on all line operations.
- QA/QC inspectors are independent of production.
- There are 4 QA/QC operators at the factory.
- There are designated inspection / test areas.
- Material/semi-finished/finished products inspection records are kept for reference.
- Inspectors conduct spot-checking in accordance with specifications during in-process and final inspection.
- Functionality of product items is tested on site.
- Rejected pieces are 100% re-inspected by inspectors after repair.

Remark: **Documented** : Substantiated by documents provided to the auditor;

**Interviewed** : As stated by the supplier **Observed** Observed by the auditor at the factory







Please see the attached annex.

- A. Photos.
- B. Flow chart of manufacturing processes.
- C. Organization chart.
- D. Copy(ies) of Quality Management System Certificate (if any).

Digital Images

		
<p>1. Factory entrance.</p>	<p>2. Material storage area.</p>	<p>3. Cutting workshop.</p>
		
<p>4. Sewing area.</p>	<p>5. Hand working area.</p>	<p>6. Inspection area.</p>
		
<p>7. Assembly and packing area.</p>	<p>8. Finished product area.</p>	<p>9. Defective products were identified and separated clearly.</p>
		
<p>10. Dormitory.</p>	<p>11. Canteen.</p>	<p>12. Toilet.</p>

		
<p>13. Drinking water.</p>	<p>14. First aid kit.</p>	<p>15. Fire alarm, fire hydrant, fire extinguishers, evacuation plan and emergency light.</p>
		
<p>16. Organization chart.</p>	<p>17. N/A</p>	<p>18. N/A</p>



# 营业执照

(副本)

编号 S2112015010944 (1-1)

注册号 440121000054992

名称	广州泽鑫皮具有限公司
类型	有限责任公司(自然人投资或控股)
住所	广州市花都区狮岭镇益群村欧洲工业园788号B栋(可作厂房使用)
法定代表人	覃继艳
注册资本	壹拾万元整
成立日期	2010年10月28日
营业期限	2010年10月28日至2016年05月01日
经营范围	皮革、毛皮、羽毛及其制品和制鞋业(具体经营项目请登录广州市商事主体信息公示平台查询。依法须经批准的项目,经相关部门批准后方可开展经营活动。)



登记机关 广州市工商行政管理局花都分局

2015年05月08日



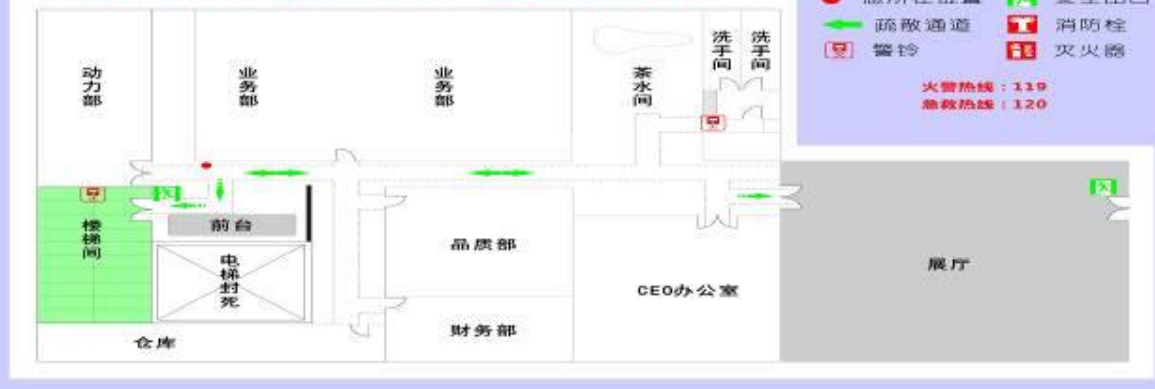
### 广州泽鑫皮具有限公司消防平面示意图 3F 3F Fire Control Layout of Guangzhou Zexin Leather CO.,LTD

1. 请拨119 2. 请勿乘电梯 3. 请走消防楼梯



### 广州泽鑫皮具有限公司消防平面示意图 2F 2F Fire Control Layout of Guangzhou Zexin Leather CO.,LTD

1. 请拨119 2. 请勿乘电梯 3. 请走消防楼梯



### 广州泽鑫皮具有限公司消防平面示意图 1F 1F Fire Control Layout of Guangzhou Zexin Leather CO.,LTD

1. 请拨119 2. 请勿乘电梯 3. 请走消防楼梯

