



Tailor & Stitch®  
corporate fashion designers



### PRIVATE LABELS

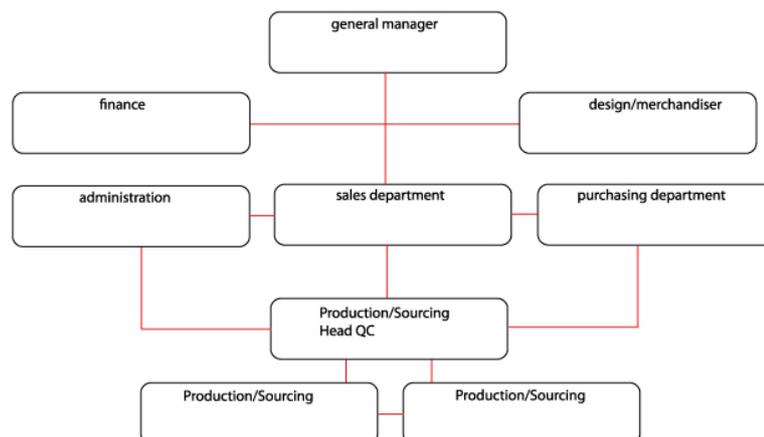
Start date membership

01-2013

Reporting period (financial year)

01-2013 – 12-2013

### Organisational chart





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## 1. Summary: goals & achievements 2013

Tailor en Stitch was established in 1996 as Company Colors. When our general manager became the owner in 2009 the name was changed into Tailor & Stitch bv.

Tailor & Stitch bv designs and manufactures corporate identity work wear and corporate fashion. Tailor & Stitch bv operates in the middle- and higher segment. We use materials of high quality and we are specialized in producing relative small numbers.

During the development and production we pay attention to the latest trends and we apply the safety requirements which are (legally) required. High-visibility, Flame-retardant, Anti-static are some of the applications we produce, if needed with EN certification

Tailor & Stitch became a Fair Wear affiliate at the end of January in 2013. We are a social involved company and we feel the obligation to improve the circumstances of the tailors who work for us. We believe in a long term steady relation with a few factories. In this way we can guarantee our quality towards our clients and make real improvements

We have our own designer and our collections are mainly produced in India. For some specials we produce small numbers of some styles in Poland and Portugal.

Our main goal for 2013 was to inform all our suppliers about our Fair Wear membership and to convince them of the importance of good circumstances for the tailors and to get them on board to work with us on Fair Wear. Our general manager, who visits all our factories at least once a year made a visit to our suppliers in India, together with our agent over there, to tell them about Fair Wear and ask them to cooperate with us. All our Indian factories joined us.

At the end of 2013 we did a part of the production in China for the first time. Our factories in India were not able to make the large quantities in knitwear in a short interval of time which our (new) client required. We faced a lot of difficulties in finding a factory in China. Our general manager visited China a few times to look into the situation in the factories himself. At last we found a supplier which meets our standards and was open to Fair Wear. We have informed them and are waiting for their response.

Our second goal was to audit one of our most important producing factories in India. This audit would be our starting point to make improvements. The management cooperated very well during the audit and the report is discussed with them.

## **2. Sourcing strategy**

### ***2.1. Sourcing strategy & pricing***

Criteria we use to choose a supplier are:

- capability of the supplier to produce the product quality standard
- capacity for the forecasted quantities
- ability to fulfill timeline and deadlines
- respect of labour standards
- price

We determine our prices by comparing the price of cloths, haberdashery and CMT. By our experience we know if the prices are in accordance with the market. We work with an open calculation system. We exactly know the price of each part of the garment. For the Cordura and the Workwear we deliver the fabrics ourselves. We always ask for prices by several factories so we know the price is in line with the market.

When we contract factories for new orders the criteria mentioned above are very important. There is no difference in which point matters more.

In India we work with an agent and an agency.

There is daily contact by phone, skype or e-mail. Our manager director also visits India at least twice a year.

We aim at long term relations with our buyers and suppliers. Most of our suppliers work for us since the general manager became owner Tailor & Stitch bv.

### ***2.2. Organisation of the sourcing department***

The general manager of the company makes the final decision where an order will be produced. He visits India at least twice a year. Since we do production in China, he has been there for two times. In China he does the sourcing by himself.

Our purchasing employee is also responsible for the sourcing and production. She provides our agent and factory with the information they need to take an order into production.

In India our agent has a large role in sourcing. Our company has a long relationship with our agent. She knows our quality standards and with our information she looks for manufacturers which can produce for us. She also sources for materials

We also use the service of an buying service. They work closely with our agent They do the quality control, source for materials and look for new factories. They are also monitoring the lead times.

### **2.3. Production cycle**

In our company we cannot really speak of a winter and summer collection. We have several projects throughout the year. A lot of the products we source are not due to the season. So our production cycle is completely depending on the demand of our clients.

When we receive an order from a client of an existing fabric we inform our agent if the CMT is still right. We check if there is enough material on stock to produce the order and if the concerning factories will be able to produce within our lead times.

When all this is checked we send an order confirmation to our client and we make a purchase order for the factory. For India we will send it to our agent. She will take care that our order will be taken in production in the factory. During the production she watches over the process. She has to check the quality of the manufactured clothes, guard the lead times, take care of the shipment.

She has to inform us when there are any problems during the production so we can try to come to solutions in an early stage so any delay can be restricted to a minimum.

Mostly we make a downpayment for the fabric so the payment of the tailors wages will not be on hold. After finishing the order and before shipment the complete order will be paid so there won't be any delay on paying the tailors

For China we send the order directly to our contact person at the fabric. He takes care of the complete production cycle. During production there is intensive contact a few times a week. We are still looking for a good solution to watch over the production process in China.

When we receive an order for new collections or items, our designer and representative make a sketch which meets the wishes of our client. In this stage we already have contact with our agent or the factory. They take care of making samples in a short notice. By making the samples they can give an indication of the consumption and the CMT so we can charge a right price to our client.

We aim for a lead time of 14 weeks, this in reflection with our client and producers. We also try to combine orders for shipment, in order to decrease freight cost and to relieve the environment.

When we contract the factories delivery time this is an important consideration. The tailors work a maximum of 6 days a week, 8 till 9 hours a day. The number of tailors is dependent on the amount of work. We aim for a constant workload for the tailors. Tailors receive a firm wage every month. Overtime is being paid.

There is always communication about the planning in this way we try to avoid any problems on delivery times

## ***2.4. Supplier relations***

Our turnover is still increasing so our production capacity also has to be enlarged.

In Europe our general manager is looking for suppliers by himself. Here fore he visits conventions, speaks with agents, clients and colleagues.

In India our agent and buying service make the first selection for a new supplier. Our criteria are the same as mentioned before.

In China our general manager looks for suppliers himself. He visited China twice for a longer period.

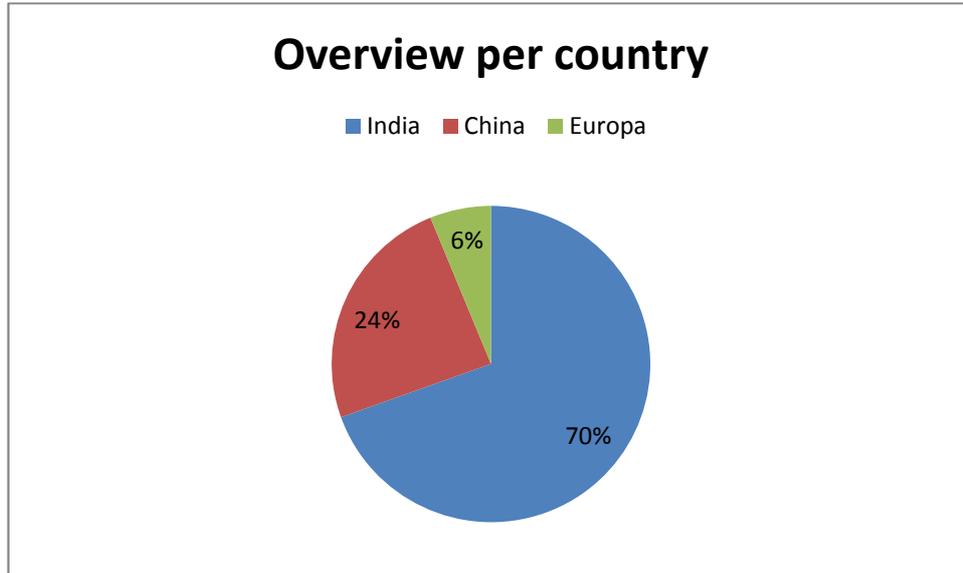
By becoming FWF affiliated labour standards will become more and more an important matter in the decision making. When we are planning to work with a new factory this is at least visited by our agent. Sometimes, when it's possible our general manager will visit the factory also before starting production. We will have meetings with the management by skype in which also will be explained that we are a Fair Wear member. We ask them to fill in the questionnaire and our agent does a basic health and safety check.

## ***2.5. Integration monitoring activities and sourcing decisions***

Our existing manufacturers accepted the FWF standards and filled the questionnaire. When we intend working with a new manufacturer he has to accept the FWF standards. If not, we will not start working with the factory or discontinue placing orders.

If major issues are found during an audit or major issues are reported within the complaint procedure, we will urge the garment maker to take immediate action. We will do anything within our possibilities to help the garment maker to solve the issues in a reasonable matter of time. Our goal is to have an long-term relation with our garment makers. In the utmost we will stop placing orders in case of non-performance or unwillingness to improve labour conditions. This only when we have tried everything to come to a solution.

### 3. Coherent system for monitoring and remediation



#### 3.1. India

##### Factory A

54% of FOB India 38% of total FOB

This is our most important supplier. In this factory only woven styles are produced. We worked with them since our general manager started the company in 2009. While this our most imported factory, our first FW audit was done here. The management was open about their business and their relationship with Tailor and Stitch. Even though it is a family run business, the management was eager to learn, adopt and grow along with the changing trends.

Some points of attention / improvement points were:

- \* Workers were not aware of the FWF Code of Labour Practices; also subcontractors should be better informed of the FWF CoLP.
- \* Communication and Consultation: the management probably needs assistance to help them frame the factory policies, grievance mechanism, appointment letters, personal files, salary calculations, pay slip, social security deductions and bonus calculations. The same should be documented.
- \* Payment of living wages: The management has to provide workers with an identity card which can also be used to punch the inward and outgoing timings. Overtime has to be documented.
- \* Health and safety: In the new factory premises the following should be given priority – fire drill and evacuation, fire extinguishers, building safety and structure stability certification, ergonomically better work place, ventilation and lighting, first aid trainings, hygienic work place.

In 2013 the factory is provided with new fire extinguishers. Workers have been instructed and first aid trainings have been given.

#### Factory B

27% of FOB India 18% of total FOB

In this factory we started production this year because the capacity of factory A was not big enough. The factory is visited by our agent a several times and also our general manager visited the factory. The questionnaire has been returned and the code of labour is palced in the factory.

#### Factory C

15% of FOB India 10% of total FOB

Until in this year we produced all our knitted wear in this factory. Like factory A we started working with them in 2009. They were willing to cooperate with the Fair Wear and returned the questionnaire. They have still have to inform us about their subcontractors.

#### Factory D

3% of FOB India 2% of total FOB.

One production is done here this year.

#### Factory B

2% of FOB India 1% of total FOB

This year we started the production of a complete new product. While our other suppliers were not capable of making this we had to look for a new supplier. We informed them about Fair Wear

### **3.2. China**

#### Factory A

14% of FOB China 3% of total FOB

We started production here this year. While capacity was to small in our factories in India we moved to China for some productions.

We ran into a lot of difficulties with this factory. Our general manager visited the plant a few times but they weren't very cooperative. Neither on Fear Wear so we decided to stop production here.

#### Factory B

86% of FOB China 21% of total FOB

After the deception of working with factory A, we had to look for another solution. Since the end of this year we are working together with this factory, which is visited by our general Director. We discussed Fair Wear with them and provided them with all our information and are waiting for the questionnaire to be filled in.

We are hoping for a steady long lasting relationship

### **3.3. Europe**

Only 6% of our FOB has been produced in Europe. This are very special products with a lot of requests

### **3.4. External Production**

We had one external production this year. It was supplied by a Dutch company who is also a Fair Wear member

## **4. Complaints handling**

T&S is responsible for dealing with complaints. Tailors are informed about the possibilities for filing complaints by the code of labour which is handed out in the factories.

When a complaint is filed, at first we will inform our agent or our contactperson in China. They have to check out the situation in the factory and judge if the complaint is founded.

If the complaint is due to our procedures we will try to adjust them so we can provide it in the future.

If there are other circumstances which cause the complaint we will try to solve them.

We haven't receive any complaints this year.

## **5. Training and capacity building**

### ***5.1. Activities to inform staff members***

In the Netherlands we are working with 3 people. We discussed Fair Wear and are all aware of the consequences the Fair Wear has for our company. With two persons we followed a course this year at the Head Quarter of Fair Wear.

### ***5.2. Activities to inform agents***

Our agents are informed by our general manager during his visits. We provided them with all the information we have. They can see the workplan and during every visit it is on the agenda. They use the checklists of Fair Wear when they visit (new) factories.

### ***5.3. Activities to inform manufacturers and workers***

Manufacturers are informed about the Code and FWF membership through the model letter and questionnaire. An information sheet in local language for workers including the Code and the contact details of the complaints handler will be posted in all the supplying factories. Our general manager talks to the tailors when he visits the factories. There is also an important mission for our agent. After the audit the tailors were instructed about fire prevention.

## **6. Transparency & communication**

FWF membership will be communicated on our website and will be mentioned on all our written communication.

All our new clients will be informed by our Fair Wear membership. In our proposition we mention our FWF membership and it will be mentioned during the meetings

We will write an annual social report.

## **7. Stakeholder Engagement**

We are not engaged in any stakeholder groups.



Social Report 01-01-2013 t/m 31-12-2014

## **8. Corporate Social Responsibility**

We only produce high – end products with sustainable materials. All our products have a long-lasting lifespan which is better for the environment.