

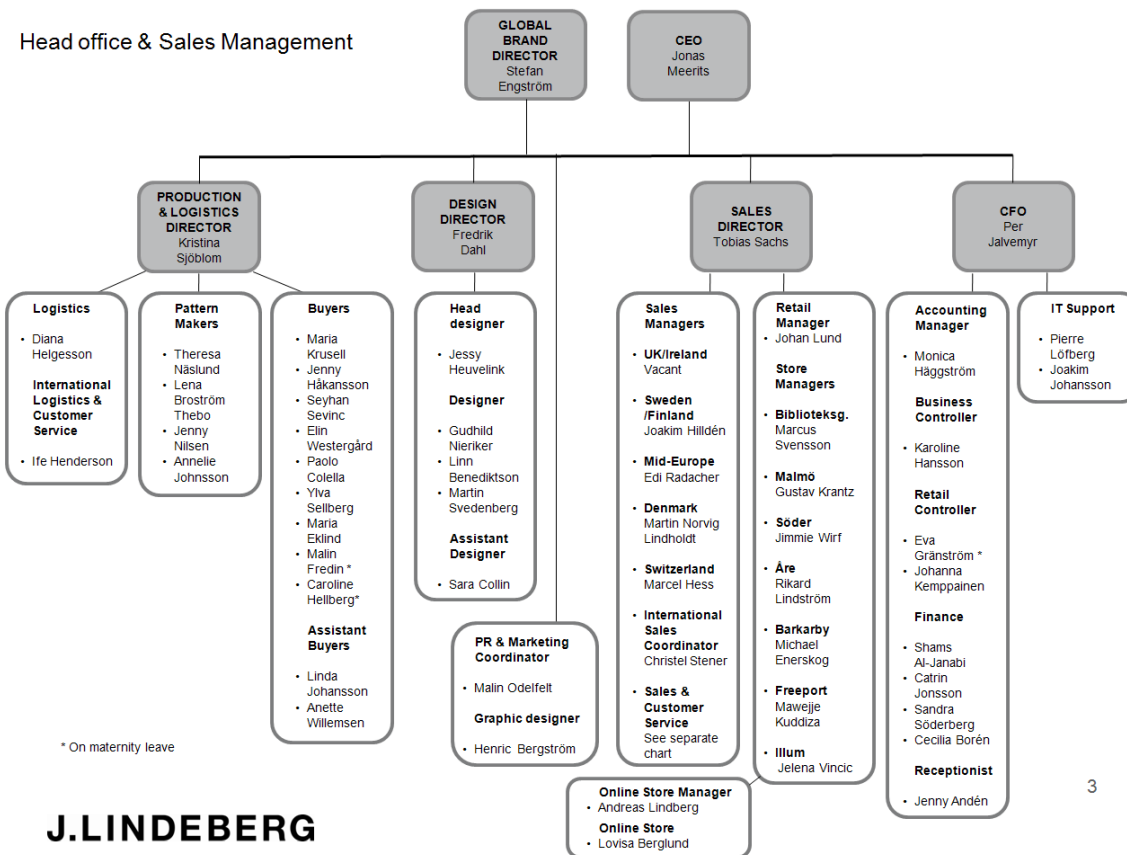
# J.LINDEBERG

[www.jlindeberg.com](http://www.jlindeberg.com)

Start date membership:

April 2010

Organisational chart:



J.LINDEBERG

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## **1. Summary: goals & achievements 2010**

J.Lindeberg joined FWF in April 2010 and the work for this year has had a focus on the administrative part. All suppliers have received the questionnaire and code of conduct. During the first nine months of membership, three suppliers in Turkey were audited. For 2011, the plan is to make five audits with the intention to make some additional inspections.

Before the collaboration began between Fair Wear Foundation and J.Lindeberg, the company had been working with CSR for many years and had a code of conduct. After joining FWF, that code of conduct was merged with the code of labour practices to form a unified document. That document has been communicated to all suppliers of J.Lindeberg during 2010. All suppliers have been asked to post the code in the factory, visible to all workers. The result of this effort will be followed up by the buyers when visiting the factories.

The goal is to have audited 40% of the suppliers by the end of the first year of membership and J.Lindeberg is already well above that percentage.

To summarize, we have reached the goals we set up for 2010.

## 2. Sourcing strategy

### 2.1. Sourcing strategy & pricing

J.Lindeberg currently works with 75 suppliers based in the following countries: China (30), Italy (9), Turkey (7), Croatia (4), Portugal (4), Sweden (4), Estonia (3), Taiwan (2), Romania (2), Thailand (1), Egypt (1), Japan (1), Latvia (1), Lithuania (1) and UK (1). In Turkey, Italy and Hong Kong, J.Lindeberg works with the suppliers through agent offices. The reason to why J.Lindeberg has such an extensive number of suppliers is the many different product groups that we offer. The groups include Women's and Men's wear in fashion, tailoring, ski and golf. Along with that, there are accessories such as leather goods, knits/jersey and woven's, ski goggles and gloves, golf accessories as well as clubs and bags. It is not the intention to grown in the number of suppliers but there is however, some gaps which we intend to fill out. All suppliers are reviewed yearly at a supplier's evaluation meeting, where each supplier is rated in terms of performance and importance for J.Lindeberg.

The agent offices in Turkey, Italy and Hong Kong works as a prolonged part of J.Lindeberg and are highly involved in the everyday work of the company. Their expertise of the status in their country, information about suppliers and possibilities to source is invaluable. The agents are well experienced of working with CSR questions and are a great asset when it comes to carrying out follow-ups and lighter inspections. Their location close to the production sites offers flexibility to make quick inspections.

It is the aim of J.Lindeberg to have long-term relationships with all suppliers. It is however, not always possible due to different reasons such as inability to improve about documentation, product quality, CSR questions etc. The increasingly tougher climate in the textile industry sometimes results in suppliers ending the cooperation with J.Lindeberg in order to focus on larger customers. Among the total number of suppliers currently working with J.Lindeberg, 32% has been working with the company for five years or longer. J.Lindeberg finds it very important to regularly visit all suppliers and intend to visit each supplier at least once per year. These visits show on the commitment that J.Lindeberg has to make sure all suppliers have the best foundation to grow together with the company. Suppliers that are based in countries where we have agent's offices are of course visited much more often.

Regarding pricing, there is a focus on getting the best price for the best quality. Prices are negotiated at the point of the sale sample are received and at the time of order placement, when the actual amount of each order is known. Sometimes order can end up below the suppliers' production minimum and in these cases; J.Lindeberg can agree to pay surcharge for production, negotiated from case to case.

### 2.2. Organisation of the sourcing department

*Describe the sourcing department; number of staff and responsibilities. When and by who is decided which manufacturers will get orders? Are buyers/ product managers assessed based on formal criteria such as margins, compliance with labour standards, quality?*

The production department is in charge of the sourcing and currently consists of eight buyers, four assistants and one production and logistics director.

Buyer 1 – Woven/fashion

Buyer 2 – Woven/tailoring  
Buyer 3 – Woven/tailoring  
Buyer 4 – Accessories  
Buyer 5 – Denim and woven/fashion  
Buyer 6 – Jersey and knits  
Buyer 7 – Woven/golf  
Buyer 8 – Woven/ski

It is mainly the buyer, in accordance with the production and logistics director, that decides which supplier gets the orders. The main criteria that every supplier must fulfil are a satisfying product quality. Thereafter, areas such as pricing, organisation and handling of documents, communication, logistics, CSR and willingness to cooperate are assessed. If one or more areas are found to be insufficient, it could lead to the end or timeout of collaboration with a supplier.

As described in 2.1 above, J.Lindeberg works with agents in Turkey, Italy and Hong Kong. They all actively source new suppliers based on the needs of the company.

### ***2.3. Production cycle***

J.Lindeberg works with two main collections – spring and fall. In between those collections, two smaller collections are offered – summer/pre-fall and winter/pre-spring.

Example of spring collection 2012:

Design start-up period	January 2011
Handover to construction and production	February 2011
Instructions sent to suppliers	February 2011
Receiving sale samples	June 2011
Selling period	July/August 2011
Order to suppliers	October 2011
Delivery to warehouse	November 2011 to March 2012

Somewhere during the time of start-up and the handover, a supplier's time schedule is sent out to the suppliers and agents, stating all the important deadlines in the above time schedule. Since it is very important that all suppliers follow these deadlines, it is always very thoroughly explained by the buyers and always referred to in discussions.

### ***2.4. Selection of new factories***

New suppliers are found in several different ways. Some suppliers contact J.Lindeberg directly and others are reached through contacts, fairs or agents. Mostly the agents find and recommend new suppliers based on the actual need of the company. If it has been sourced by an agent, they organise the initial contact and meetings and if direct contact has been taken, it is the buyer for that purchase area that handles the communication. The agent can directly clear a supplier for sale sample production, where the supplier firstly is asked to make a prototype. In those cases where we have direct contact with the supplier, it is the buyer for that area which takes care of the initial meeting, often together with the production and logistics director. If the basic details look good, the supplier is asked to make a prototype that is either approved or rejected regarding the product description. If all goes well, a program is placed with the supplier who starts by making salesman samples. This will be the first real estimation of garment prices and quality. The supplier is asked to fill in the questionnaire and sign the code of conduct, which are the first indications of the suppliers' attitude towards CSR questions. The criteria for production includes

product quality, pricing strategy, CSR attitude and respect for worker's rights, documents handling, reliability and ability to communicate. If these criteria are fulfilled, the supplier will get the production orders. The aim is to visit all new factories before production starts. Before production starts, the supplier must sign additional documents such as production agreement and statement not to use any of the chemicals listed on the REACH Candidate list and J.Lindeberg's banned chemicals.

The process of selecting new suppliers is often long and time consuming. There are several aspects that need to be taken into account and one very important factor is attitude towards CSR questions. That criteria is not always so easily assessed at first contact with the company but by looking at the suppliers willingness to communicate CSR matters; to fill in and sign documents, providing previously made social audits, proof of certifications etc, a more clear picture will take shape. One of the most important factors when it comes to measuring the CSR criteria is the supplier's willingness to be transparent and to improve.

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

The monitoring activities during 2010 have not influenced the sourcing strategy. All suppliers are ranked in two divisions; Performance and importance. Performance is a mixed assessment of product quality, communication, handling of documents and logistics. Importance is simply a ranking of how important the supplier is to J.Lindeberg.

No findings during 2010 have lead to the termination of a relationship with a supplier. J.Lindeberg has just recently joined FWF and has not yet been forced to terminate cooperation with a supplier due to lack of improvement in the working conditions at a factory.

## **3. Coherent system for monitoring and remediation**

### **3.1. Turkey**

Three inspections were made in Turkey, one with FWF's team and two with a team consisting of staff from J.Lindeberg together with staff from the agent office in Turkey.

#### *Factory A:*

The audit was made with FWF's team. 3,81% of the total production is sourced from this supplier. During the audit, some documentation was missing such as working permit, overtime records and payslip copies. There were no signs of child labour or forced labour. There were several minor findings regarding occupational health and safety at the production site. The factory management also needs to improve regarding employer relationship and specifically, paying and documentation of paid social security fees, registering workers and keeping personal files up to date.

#### *Factory B:*

Out of J.Lindeberg's total production, 3,90% is sourced from this supplier. The supplier needs to improve regarding keeping records of for example disciplinary system, grievance policy, wage ladder and bonus system. There were no signs of child labour or forced labour. One of the factory's subcontractors was also audited.

#### *Factory C:*

This supplier is new and has only recently been given orders. J.Lindeberg has however, belief in that this supplier will grow and become important. This supplier needs to work on finding a long-term perspective on implementing improvements in the factory for the workers health and safety. The factory site had however just recently been set up. The management was not completely open regarding worker files and not all documents were available. There were no signs of child labour or forced labour.

#### *Factory D:*

The supplier is, besides J.Lindeberg, also receiving orders from FWF members Filippa K and Odd Molly. Meetings were held during 2010 between the three actors in how to work together towards the supplier. Filippa K made an audit at the supplier with a team from FWF in 2008 and has then been working together with the supplier on fulfilling the CAP.

No complaints have been filed from workers in Turkey.

### **3.2. Other countries**

All suppliers have been informed about J.Lindebergs membership in FWF and what the suppliers can expect from this. Most of the suppliers has signed the updated code of conduct and been given a translated version to post inside the factory.

No complaints have been filed from workers in any country.

### **3.3. External production**

*If applicable, describe which monitoring activities were conducted at suppliers of "external production". See Manual for Affiliate Members section 3.2.2 (external production), for further explanation.*

J.Lindeberg has no external production

## **4. Training and capacity building**

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

Shortly after J.Lindeberg joined FWF, training was held for the staff in the head office, covering all departments. After a general introduction, the departments had separate workshops, discussing specific CSR problem areas that might arise in their daily work.

At a retail meeting in July, the shop managers was informed about the membership and introduced to FWF policy. They were also given some basic tools of how to communicate this to the customers.

### ***4.2. Activities to inform agents***

As described in chapter 2.1 “Sourcing strategy and pricing” the agents that J.Lindeberg work with is an important part of the company and works as a prolonged office in that country. Naturally, they have been well informed about the new collaboration with Fair Wear Foundation and have already in different ways been integrated in that work. They all have experience of CSR work and several are familiar with FWF since before.

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

Manufacturers have been informed through email and meetings. It is the responsibility of the manufacturer to inform their employees and J.Lindeberg will be verifying whether they have fulfilled this task in coming visits and audits.

## **5. Transparency & communication**

Information regarding J.Lindeberg’s membership in FWF can be found at the web page under “Sustainability”. It is also communicated through our stores and in some regards, through our PR department.