



Production Audit Report

Presented to

Shanghai CHICHEN Metal Industries Co.,Ltd.

上海企程金属工业有限公司

Gold Supplier & Audited Company Relationship	<input checked="" type="checkbox"/> Wholly Owned <input type="checkbox"/> Shareholder/Partner <input type="checkbox"/> Capacity Contract
Company Address:	No. 1168, Baishi Road, Baihe Town, Qingpu District, Shanghai, China
City / Country:	Shanghai/ China
Consigner of Audit Report:	Alibaba
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Service provided by Intertek
Report No.: 201012270001889_1-P



Report Number:	201012270001889_1-P	Audit Report Type:	Production Audit Report
Date of Audit:	21 st Jan.2011	Report Date:	22 th Jan.2011
Audited By:	Jill Guo	Validity Period:	22 nd Jan.2011 ~ 21 st Jan.2012
Reviewed By:	Lee Ren	Online Report:	www.intertek - sha.com/certification

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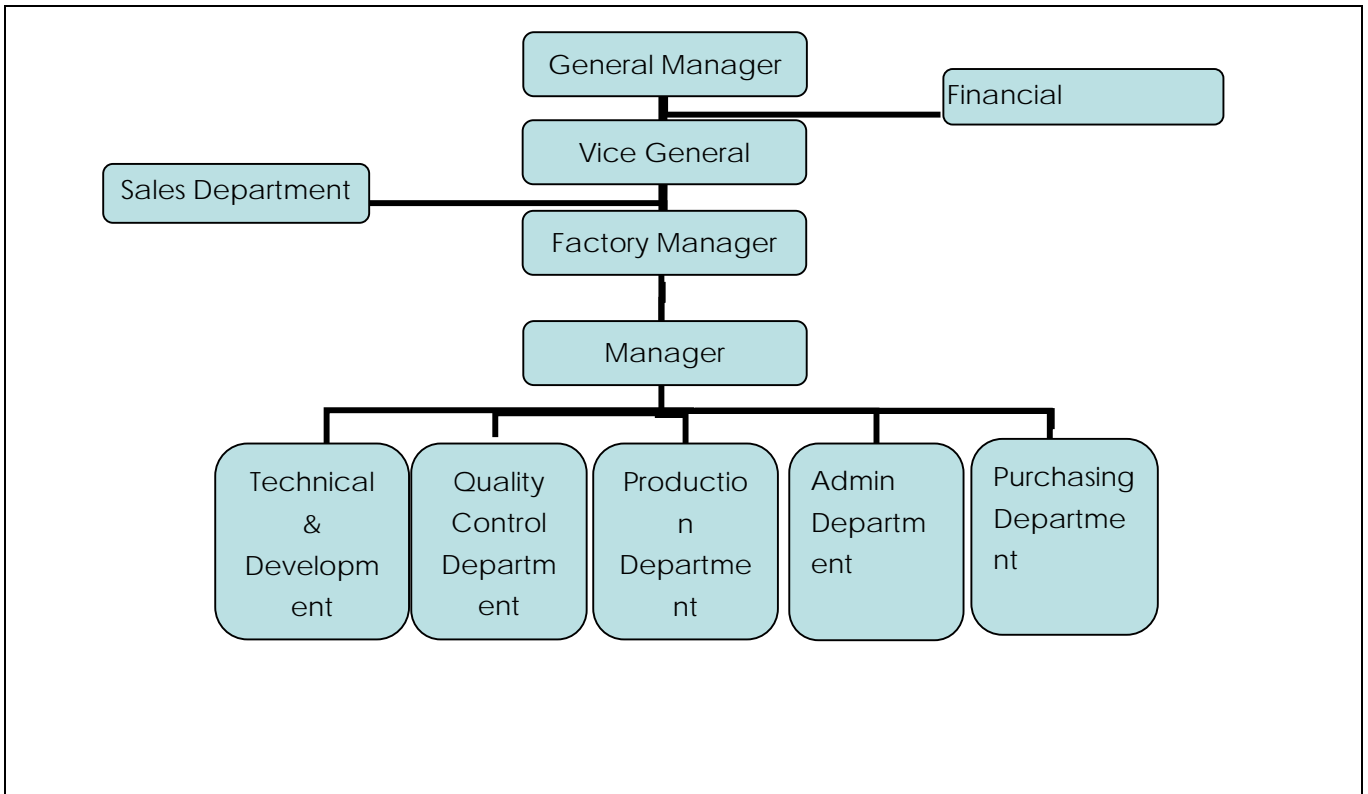
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Section 1: Company Overview

Company Overview			
1.1 Legal Validity			
Does the company have a valid business license?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Business License Number:	310000400183419
Year Established:	10 th Nov.1997	Validity Period:	10 th Nov.1997-9 th Nov.2027
Registered Address:	No. 1168, Baishi Road, Baihe Town, Qingpu District, Shanghai, China		
Company Address:	No. 1168, Baishi Road, Baihe Town, Qingpu District, Shanghai, China		
Annual review conducted by the Industrial & Commercial Bureau?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Reviewed By:	Shanghai Administration for Industry and Commerce
Registered Capital:	0.52 Million USD		
Corporate Representative:	Mr. Qinyan Huang		
Industry:	Metal Industry		
Business Type:	<input checked="" type="checkbox"/> Manufacturer <input type="checkbox"/> Trading Company <input type="checkbox"/> Combined		
Type of Ownership:	<input checked="" type="checkbox"/> Private Owner <input type="checkbox"/> Public Company <input type="checkbox"/> Joint Venture <input type="checkbox"/> Stated Owned <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Other		
Products Manufactured:	Key Blank, Lock Cylinder		
1.2 Company Building Information			
Certification Type: <input type="checkbox"/> Land Certification <input type="checkbox"/> Real Estate Certification <input checked="" type="checkbox"/> Lease Agreement <input type="checkbox"/> Factory Officer Claimed			
Total Building Size (m2): <u>3,200</u>			
Number of Building(s) : <u>3</u>			

Section 2: Human Resources

Human Resources	
2.1 Company Chart	



2.2 Employee Headcount

Department Name	Full Time Employee(s)	Part-Time Employee(s)	Total
General Manager	1	0	1
Vice General Manager	1	0	1
Factory Manager	1	0	1
Production Manager	1	0	1
Sales Department	5	0	5
Technical & Development Department	7	0	7
Quality Control Department	5	0	5
Production Department	60	0	60
Administration Department	8	0	8
Purchasing Department	3	0	3
Financial Department	4	0	4
Total Number:	96	0	96

2.3 Management

Department	Name	Title	Education	Year(s) in Current Company
General Manager	Qinyan Huang	General Manager	Graduate	13

Vice General Manager	Liancheng Luan	Vice General Manager	Graduate	4
Factory Manager	Changxing Cai	Factory Manager	Graduate	3
Manager	Jinhong Jian	Production Manager	Graduate	2
Sales Department	Zhaohui Hu	Manager	Graduate	12
Technical & Development Department	Yafeng Zhang	Manager	Graduate	9
Quality Control Department	Yan Zhou	Manager	College	10
Production Department	Hehua Yuan	Manager	College	12
Administration Department	Juan Huang	Manager	Graduate	6
Purchasing Department	Jingyi Lv	Manager	College	1
Financial Department	Yan Chen	Manager	Graduate	12

Section 3: Production Capacity

Production Capacity				
3.1 Annual Production Capacity (Previous Year)				
Total volume of production was 42 million pieces in 2010.				
3.2 Production Capacity				
Product Name	Production Line Capacity	Actual Units Produced (Previous Year)		
key blank	70 million pieces/year	40 million pieces/year		
lock cylinder	4 million pieces/year	2 million pieces/year		
3.3 Production Machinery				
Machine Name	Brand & Model No.	Quantity	Number of Year(s) Used	Condition
Stamping Machine	Xieyi SN1-80	9	8	Acceptable
Milling Machine	Guanming CM-106	15	2	Good
Coining Machine	Guanming KM-YS	8	2	Good
Bitting Machine	Jieyong CM-02	10	10	Acceptable

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Injection Machine	Baisu SEV\$-SD-55T-M	1	7	Acceptable
Numbering Machine	Shili WP-YYJ-30-70-QCI	5	10	Acceptable
Grinding Machine	KENT	2	10	Acceptable
Lathe	Yonghe YB-25N	4	5	Good
Feeding machine	Yonghe YB-25N	3	5	Good
Drilling machine	Hongzhu CM23	2	5	Good

3.4 Testing Machinery

Machine Name	Brand & Model No.	Quantity	Number of Year(s) Used	Condition
Sclerometer	Mitutoyo/AR-10	1	6	Acceptable
Profile projector	Mitutoyo/PJ-A3000	1	6	Acceptable
Coulometric Coating Thickness Tester	Japan ELEC FINE /CT-1	1	6	Acceptable
Spectro-meter machine	Bruker Quan Tron/1137	1	4	Good
Vernier callipers	Mitutoyo /10-150mm	16	2	Good

3.5 Subcontractors

Subcontractor Name	Product Subcontracted	Volume Supplied	Cooperation Period (Years)
None	/	/	/

Section 4: Quality Assurance

Quality Management System and Product Certification

4.1 Quality Management System Certification

Certification	Certified By	Certificate No.	Business Scope	Expiry Date
ISO9001:2008	Sira Certification Service	062083	Manufacture of metal keys and lock core	2012-6-26

4.2 Product Certification

Certification	Certified By	Certificate No.	Product Name & Model No.	Expiry Date
None	/	/	/	/

4.3 Quality Control Management

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	Content	Observations /Comments
4.3.1	Is there quality control on all production lines?	<input checked="" type="checkbox"/> Yes, all production lines have adequate quality control <input type="checkbox"/> Yes, some production lines have adequate quality control <input type="checkbox"/> No
4.3.2	Do the QA/QC inspectors work independently from the production line?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
4.3.3	Who does the QC/QA Manager /Supervisor report to?	Jinghong Jian
4.3.4	How many QA/QC inspectors in total?	4

No. of Employees in Each Production Line:

Production Line	Supervisor	No. of Operators	No. of In-line QC/QA
Stamping	1	4	2
Milling	1	12	
Coining	1	8	
Grinding	1	3	
Bitting	1	7	2
Machining	1	4	
Assembling	1	5	
Packing	1	7	

4.4 Supplier Management

	Content	Observations /Comments
4.4.1	Does the company have an supplier assessment procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
4.4.2	Does the company have an updated list of approved suppliers?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
4.4.3	Does the company establish and implement a standard procedure for purchasing contract review and approval?	<input checked="" type="checkbox"/> Yes, with written standard procedures <input type="checkbox"/> Yes, with written procedure but lack of consistent standard <input type="checkbox"/> No

4.4.4	Does the company keep its Supplier Assessment Reports?	<input type="checkbox"/> Yes, Assessment Reports are available for more than 3 years <input type="checkbox"/> Yes, Assessment Reports are available for the last 1-3 years <input checked="" type="checkbox"/> Yes, Assessment Reports are available for the previous 12 months <input type="checkbox"/> No
4.4.5	Are the company's purchasing documents sufficient to ensure product safety control and their customers' requirements?	<input checked="" type="checkbox"/> Yes, the purchasing document includes all the information required <input type="checkbox"/> Yes, however the purchasing document includes incomplete information <input type="checkbox"/> No
4.4.6	Is there a procedure to conduct random product inspections after final packaging?	<input checked="" type="checkbox"/> Yes, with clear standard and written inspection records <input type="checkbox"/> Yes, with inspection records but no procedures <input type="checkbox"/> Yes, with procedures but no inspection records <input type="checkbox"/> No, inspections are not necessary

4.5 After Sales Service

	Content	Observations /Comments
4.5.1	Is customer feedback, including complaints, clearly recorded and maintained?	<input checked="" type="checkbox"/> Yes, with a standard feedback form and records <input type="checkbox"/> Yes, with a standard feedback form but no records <input type="checkbox"/> Yes, with records but no standard feedback form <input type="checkbox"/> No
4.5.2	Are there any clear procedures for handling customer complaints?	<input checked="" type="checkbox"/> Yes, with clear procedures and written records <input type="checkbox"/> Yes, with clear procedures but no written records <input type="checkbox"/> Yes, with written records but no clear procedures <input type="checkbox"/> No
4.5.3	Is there a closed-loop corrective action system in place?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
4.5.4	Can finished/packaged products be traced by lot identification to the appropriate raw material test reports?	<input checked="" type="checkbox"/> Yes, with procedures to trace raw materials <input type="checkbox"/> Yes, main raw material can be traced <input type="checkbox"/> No, only the production date can be traced <input type="checkbox"/> No

4.5.5	Is there a product alert and recall procedure?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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Section 5: Production Process Management

Section 5: Quality Control Management		
	Content	Observations /Comments
5.1	Is the factory tidy and clean enough for production?	<input checked="" type="checkbox"/> Yes, very good <input type="checkbox"/> Yes, acceptable <input type="checkbox"/> No, needs improvement <input type="checkbox"/> No, very poor
5.2	Are the following items /documents provided at the appropriate location?	<input checked="" type="checkbox"/> Work Instructions <input type="checkbox"/> Approved sample <input type="checkbox"/> Product picture <input type="checkbox"/> No, the above mentioned was not available
5.3	Are written instructions available for onsite material inspection/testing? Are the relevant records maintained?	<input checked="" type="checkbox"/> Yes, with clear written instructions and records <input type="checkbox"/> Yes, with written instructions but no records <input type="checkbox"/> Yes, with records but no written instructions <input type="checkbox"/> No
5.4	Are written inspection/testing instructions available for finished products? Are the relevant records maintained?	<input checked="" type="checkbox"/> Yes, with clear written instructions and records <input type="checkbox"/> Yes, with written instructions but no records <input type="checkbox"/> Yes, with records but no written instructions <input type="checkbox"/> No
5.5	How are finished products inspected?	<input checked="" type="checkbox"/> 100% of products with detailed inspection <input type="checkbox"/> Random inspection <input type="checkbox"/> No inspection <input type="checkbox"/> No inspection necessary
5.6	Are units that failed inspection clearly marked and separated to prevent accidental dispatch?	<input checked="" type="checkbox"/> Yes, the units are separated and marked clearly <input type="checkbox"/> Yes, the units are separated but not marked clearly <input type="checkbox"/> No
5.7	How are finished products that failed inspection handled?	<input checked="" type="checkbox"/> Repaired and re-inspected <input type="checkbox"/> Thrown away <input type="checkbox"/> No inspection necessary

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Section 6: R & D Capacity

R&D Capacity				
6.1 Current Situation				
There is/are _____ 4 _____ R&D Engineer(s) in the company.				
Education Level	Headcount		Work Experience	Headcount
Doctorate	0		Over 30 Years	0
Post-Graduate	0		21-30 Years	0
Graduate	0		11-20 Years	0
Junior College	4		6-10 Years	1
Technical School	0		2-5 Years	1
High School	0		Less than 2 years	2
List of successful project(s) (Example: Patented products):		None		
Does the company have its own brand?		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
If yes, please specify:		COMIC		
Does the company provide ODM service for others?		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Are there relevant design input/output, review, and verification documents available for the assessment company?		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Based on inspection, are R & D employees equipped with adequate specialized equipment?		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
If yes, please list all key equipment used:		Stamping Machine, Profile Projector, Spectrometer		
Do R& D employees use any specific software for designing new products?		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
If yes, please list the main software used:		UG, CAD, Fireworks		
Please list all certifications and/or qualifications of the R & D department:		None		

Section 7: Company Development / Expansion Plans

Company Development / Expansion Plans

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	Company Development Action	Timeframe
1	Enlarge the building area 7000 m ²	1-2 years
2	The production capacity will be 1 billion pieces.	1-2 years

Section 8: Production Flow

Production Flow					
No	Production Process	No	Production Process	No	Production Process
1	 Stamping	2	 Milling	3	 Coining
4	 Grinding	5	 Bitting	6	 Machining
7	 Assembling	8	 Packing	9	

Section 9: Certification & Photos

Certification	
Certification & Photos--Business License (Original)	Certification & Photos--Business License (Duplicate)
	
Certification & Photos--Tax Registration Certificate(Original)	Certification & Photos--Tax Registration Certificate(Duplicate)
	
Certification & Photos--Organization Code Certificate(Original)	Certification & Photos--Organization Code Certificate(Duplicate)



Certification & Photos--Permit for Opening Bank Account



Certification & Photos--Permit for Iso9001:2008



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Section 10: Company and Product Samples

Company and Product Samples	
<p>Company Gate</p> 	<p>Office</p> 
<p>Workshop</p> 	<p>Workshop</p> 
<p>Product Sample</p>	<p>Product Sample</p>



Product Sample



Product Sample





-- End of Report --

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