



CHINA²WEST SERVICES™
Quality Manufacturing Solutions

C2W ALL IN SUPPLY SOLUTIONS
2016

Introduction

While C2W does offer comprehensive standalone service packages our primary objective is always to oversee and control all stages of the supply chain with a customized complete project management and quality assurance/control program.

For projects where some development is required, C2W will provide a comprehensive RTMP (Route to Market Plan) which outlines the exact steps required to develop /prototype the product and the associated costs. Each stage of the plan will be linked to a clear timescale, cost and project phase deliverable. C2W costs to do this are significantly cheaper than any western design house with the added advantage that we know exactly what the Chinese factory needs to see.

Finally, as a supplier for mass production, C2W will build in our margin into our manufacturer's unit price. Typically this will be 5-15% depending on the size and complexity of the order. This means the production invoice will be issued from C2W not the Chinese factory, and the price on the invoice is the final price inclusive of all C2W services. Here is a detailed rundown of the basic C2W supply package:

1. Production Schedule Management

All PO's will be linked to a detailed production plan to be provided by C2W after PO submission. This will be monitored and updated throughout production by the C2W project coordinator.

The production plan will highlight all key steps in the manufacturing process and detail the critical C2W QC dates for each order. Each plan will include container loading, dispatch and delivery dates to enable accurate planning at the end delivery destination.

2. Order Production Contracts

Each PO placed with C2W will be converted into a C2W factory PO. Before monetary transfer a full production contract will be then be drawn up direct with the factory. The contract will include all key order delivery dates, quality requirements, payment details and pre-agreed penalty clauses for delays or quality issues. Original copies will be stored in C2W Zhuhai HQ and will be available on request.

3. Order Quality Control

C2W will monitor production with a full time QC factory presence when required. The C2W onsite quality engineer will report directly to the end customer throughout production detailing all daily manufacturing issues as well as providing general order progression updates.

This will be accompanied by 2-3 visits by a C2W quality engineer per order at key production points (Initial, Mid-Point and Final QC). Any additional QC trips required for successful order completion (should issues arise) will be included without any additional associated charges.

C2W will establish, maintain and update detailed QA/QC plans for all product variations. These documents will define all production processes, factory work flow, as well as internal and third party (C2W) quality procedures and checks.

All order quality documents will be stored at C2W HQ with detailed reference to each production batch enabling full traceability to all in field product. C2W QC will also oversee all individual third party testing processes referencing all results in each final QC report. Additional C2W QC resources will be employed as order quantities increase.

4. Independent Lab Testing Services (if Required)

A key QC step throughout production will be independent lab testing to update and monitor material composition and testing records to ensure established specifications are maintained. The C2W QA plan will define all testing procedures and frequency. Samples will be submitted to independent lab testing facilities and results will be provided via email on test completion.

5. Logistics Coordination

C2W Logistics will work with the Project Coordinator and QC team to plan and arrange all order shipments. Shipments can be made through C2W's own international freight agents or alternatively coordinated direct with distributors/end customer logistic contacts.

On departure original copies of all shipping documents will be sent to the end delivery destination for container release with additional copies filed at C2W HQ.

6. Order Financial Planning and Control

C2W will organize all factory direct payments enabling careful control over transfers in relation to production quality and signed factory order contracts.

C2W will negotiate on price with the factory monitoring exchange rates and material prices to ensure both are in line with agreed terms.

C2W will also assist in negotiations for order credit terms as quantities increase.

7. Additional C2W Services

Additional possible future services through C2W which fall outside of this agreement:

- Warehousing (China/UK)
- Multiple Supplier Order Consolidation (China)
- New Product Development Processes
- Asian Patent/Product Certification Processes
- China Legal Representation Services

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