



Private Brand

Textile Quality

Compliance Program

Introduction

This compliance manual is to provide Bluestem Brands, Inc. private brand textile vendors direction on the procedures that are in place to assure quality of import private brand textile products. We require all vendors who sell import textiles to Bluestem Brands to comply with these requirements. Failure to comply with these procedures will result in delays in shipment and/or cancelation of open purchase orders.

In this manual we will cover protocol testing, final random inspections and factory audits. Bluestem is currently partnered with two 3rd party entities that help us to accomplish these functions:

- Modern Testing Services, LLC (MTS) is a lab and they do protocol testing, all of our product inspections and all of our QA factory audits.
- Omega Compliance is an audit specialist that completes all Bluestem Brands Social accountability audits.

These 3rd party entities will be helping Bluestem Brands in facilitating the procedures explained in this manual, by conducting the testing, inspections and audits required.

***Domestically produced private brand products will need to follow the same testing requirements as is explained in the following pages. Inspection and audit will be handled differently, for more information on these contact you quality assurance product manager.**

Textile Protocol Testing

To fit into our new private brand timing and action plan, testing of textiles will be conducted in 2 levels.

- Construction Testing (level 1) passing results are due by the 21st week of the timing and action calendar.
 - In this level of testing the lab will test the physical parts of the product and does not include any colorway tests. The testing on this level would include labeling, fabric, fill, dimensions, performance, etc.
 - Because this level is only looking at construction the sample sent only needs to be made of the same material and construction methods as we are purchasing.
***This means you can send a sample you may have of another pattern/color for the test.**
 - For this level of testing two sample sets will need to be submitted to the lab.
 - For bedding samples those sets should include a comforter and a bed skirt/dust ruffle and any other piece of the set that would not be covered by those items being tested.
 - Some example of products that would not be covered by the comforter and dust ruffle are;
 - Decorative pillows with extra parts sewn on them like beads, sequins, etc.
 - Sheets made from a different grade material than the comforter or dust ruffle
- *These parts would also need to be submitted with the set for testing.**
- Colorway testing (level2) passing results due by the 11th week of the timing and action calendar. If we do not have results by this date the product release date will be pushed back. If the product continues to fail testing the product will be pulled and canceled.
 - At this level of testing the labs will test the colorfastness of the items along with some analytical and performance tests that may be different by color.
 - Sample swatches sent for this level of testing will need to be of production color, pattern and quality.
 - A sample swatch of 1.5² yards of all colors represented in the set will need to be submitted for colorway testing along with 20 care labels for that set and 20 sets of hardware if applicable.
 - If the set has a printed pattern, the swatches will need to be cut in such a way that all colors in the pattern are represented in the swatch. If all colors cannot be represented with one fabric swatch additional fabric swatches will need to be submitted.
***All color represented in the set must be tested at a lab.**

Submitting samples for testing

Grouping Request Forms

Products that are similar aside from color can potentially be grouped provided they are produced in the same factory, have the same construction, and are made of the same material. This can eliminate the need to test each item to the full protocol; decreasing test time and expense. The vendor will complete a Bluestem Brands, Inc. grouping request form (GRF) and submit the form to the Bluestem Brands QA Product Manager (QA PM). The vendor must list all items of the same manufacture that are due for testing on the GRF with images, descriptions, and an explanation of how they are the same and justification as to why they should be tested together. The QA PM will indicate on the form which item should be tested to the complete protocol (level 1 & 2 of the protocol), and which items can be tested to the colorway portion only (level 2 of the protocol). The QA PM will then sign it and scan it and return it to you to be submitted with the test request form.

Test Request Form

The vendor will request the test request form (TRF) directly from either MTS or BV. These TRF's will have a bluestem logo with Bluestem contact information filled into them. They will need to be completed with all relevant information asked for on the form, including:

- Bluestem product SKU's
- PO information
- Product description
- Pattern name
- Vendor name (This is Bluestem Brands point of contact)
- Factory information

***The above information must be on the TRF or the lab will not conduct the test and will return the TRF to the sender to be completed fully.**

When the lab receives the sample, GRF and TRF they will select the appropriate protocol for the product to be tested to.

Test results

All test results will be emailed by the testing lab to Bluestem Brands, Inc. and whoever is indicated on the TRF by the submitter.

Passed testing - results will be filed electronically within Bluestems internal network and will be valid for a period of one year.

***If the product is renewed for the next season the product will need to be resubmitted for testing following the above steps.**

Failed testing – It is the vendors responsibility to take corrective action on any failed testing independently and have the failed product resubmitted for protocol testing until the product passes or such time as the product is canceled.

***Waivers for failures can be requested by submitting the failed test report to Jason Knoblauch for review.**

Until the product has passed or the failure is waived the failed test results will be filed electronically within Bluestems internal network. The product will not be approved to ship until a passing result or waived failure is on file in our network. If passing results are not submitted from the lab to Bluestem by 11 weeks out on the timing and action plan contingency plans will be made that can include but are not limited to pulling the product from scheduled books, penalties for late shipment and cancelation of the purchase orders.

Testing lab contact information

Modern Testing Services, LLCLuis Kwan lkwan@mts-global.com

Inspection Procedure

All new products and new colors or patterns of existing products shipped to Bluestem Brands will go through a final random inspection administered by MTS. All initial inspections are paid for by Bluestem Brands. All re-inspection because of a failure on an initial inspection will be done at the vendor's expense.

If an inspection fails it will be the responsibility of the vendor to correct the failures and have the product re-inspected until it passes the inspection.

***Waivers for failed inspections can be requested by submitting the failed report to Jason Knoblauch for review.**

Until the product has passed or the failure is waived the failed inspection results will be filed electronically within Bluestem's internal network. The product will not be approved to ship until a passing result or waived failure is on file in our network. If passing results are not submitted from the lab to Bluestem by the time the shipping window has closed contingency plans will be made that can include but are not limited to pulling the product from scheduled books, penalties for late shipment and cancellation of the purchase orders.

To schedule an inspection you will contact MTS Inspection Services. You will want to make contact when you know the product/shipment will be 100% complete and 80% packed. MTS will send you an inspection booking form (IBF) that you will need to complete with all relevant information. When the IBF is complete MTS will then work with you to schedule a time for the inspection.

MTS will use a protocol that has been approved by Bluestem Brands. The protocol consists of a number of different parts including: Labeling, Packaging, Construction & Workmanship and Appearance. For a complete look at the protocol please contact MTS inspection Services.

- Above and beyond what is listed above, Bluestem Brands reserves the right to have any purchase order of any product that we are purchasing inspected before it ships.

MTS Inspection Services contact information

Joe Lam jlam@mts-global.com

Factory QA and Social Accountability Factory Audit Procedure

All factories producing private brand products for Bluestem Brands will go through two factory audits.

- A QA factory audit that will be conducted by MTS
- A social accountability audit will be conducted by Omega Compliance

Initial audits and any annual re-audits will be paid for by Bluestem Brands.

Any re-audits that are conducted as results of a poor performance on an initial audit will be paid for by the vendor.

Bluestem Brands will receive results of these audits and share them with the vendors if there is a failure and/or if improvements are needed.

Scheduling Audits

To schedule the audits you will contact your Bluestem Brands Product Manager. You will need to supply them with:

- Factory Name
- Factory Contact
- Factory Contact Phone Number and Email Address
- Factory Address

The product manager will then contact MTS and Omega to begin the process.

MTS QA Factory Audit

When the contact information has been transferred to MTS they will then make direct contact with the factory to schedule the appointment for the audit. These audits are usually completed in one day by one person.

The audit with MTS will look at facilities, quality control systems, inspections practices and packaging. They will take a factory tour, interview factory personnel and look over specific documentation.

Omega Social Accountability Audit

After the contact information has been sent to Omega, they will work with the factory to set up a two week window for when they will do a semi-announced audit.

The audit with Omega will evaluate employee working conditions, labor practices and safety conditions of the factory. They will take a factory tour, interview factory personnel and look over specific documentation. When Omega arrives within the two week agreed upon window they must be allowed to do the audit as they need to. If there is any denial of entry or interference with the audit process it will be an automatic failure and the cost will for the audit will be billed to the vendor. No Bluestem private brand production will be able to be done at that factory until another audit is scheduled and completed.