



2011

FAIR LABOR ASSOCIATION INDEPENDENT EXTERNAL VERIFICATION REPORT*

COMPANY: Tumi, Inc.
COUNTRY: Vietnam
FACTORY CODE: 870084409HV
MONITOR: OneStep Viet Co., Limited
AUDIT DATE: September 19, 2011
PRODUCTS: Bags, Suitcases
PROCESSES: Cutting, Sewing, Packing
NUMBER OF WORKERS: 1721

*To read the original IEM report of this factory, please visit the FLA website [here](#).
For an explanation on how to read this report, please visit the FLA website [here](#).



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Forced Labor: Freedom of Movement

F.10 If factory entrances are locked or guarded to prevent non-employee access to the premises for security reasons, workers shall have free egress at all times. (S/P)

Noncompliance

Explanation: The factory provided toilet permission card for workers (23 workers shared 1 permission card). The management said that workers can go to the toilet freely and without the permission card or no penalty. However, the workers were still not very comfortable with this practice.

Sources: Observation, workers interview, record review.

Plan Of Action: Employees are allowed to freely move about during work shift, factory cannot use permission card to limit workers' use of the toilet.

Deadline Date: 11/20/2009

Supplier CAP:

Supplier CAP Date: 11/20/2009

Action Taken:

Plan Complete: Yes

Plan Complete Date: 11/17/2011

Action Verified: No

Action Verified Text: [Pending:](#)
The factory still required the use of the appropriate toilet permission cards for workers (example: 90 cutting workers shared two permission cards).

Sources: worker interview, observation, management discussion

Action Verified Date:

Follow-up Plan of Action: [Update in January 2013:](#) Workers have been free to use the toilet since September 2011. The factory made an announcement and notified all workers. This action was verified through worker interviews and visual inspection of the announcement to the workers on notice boards.

Forced Labor: Forced Overtime

F.14 The imposition of mandatory overtime beyond the limits set by the law, a freely negotiated collective bargaining agreement, and/or the FLA Code, in an environment where a worker is unable to leave the work premises, constitutes forced labor. (S)

Noncompliance

Explanation: [New finding:](#)

The monitor discovered that workers have to submit a written application for leave to upper manager (in addition to the supervisors) for approval when they are unable to work overtime. This practice discourages workers from refusing OT.

Sources: worker interview, observation, management discussion

Plan Of Action: Employees are allowed to leave factory compound after work at any time. The factory should not ask workers to submit a written application for superior approval if they don't work OT.



**Deadline
Date:**

**Supplier
CAP:** [A leave application is no longer needed for refusing overtime. The administration department will keep the present list to prepare dinner for those who will work overtime.](#)

**Supplier
CAP Date:** [11/04/2011](#)

**Action
Taken:** [Update in January 2013: No need to submit an application form to refuse overtime. This action was verified through worker interviews and document inspection.](#)

**Plan
Complete:** [Yes](#)

**Plan
Complete
Date:** [11/17/2011](#)

**Action
Verified:** [No](#)

**Action
Verified
Text:**

**Action
Verified
Date:**

Forced Labor: Other - Forced Labor

Other

Noncompliance

Explanation: The factory did not have written policy on forced Labor.

Sources: Management discussion, document review

Plan Of Action: Review the noncompliance description with factory and develop a forced labor policy.

Deadline Date: 11/13/2009

Supplier CAP: A forced labor policy had been developed in both English and Vietnamese. The factory is going to communicate this with all levels of workers

Supplier CAP Date: 11/20/2009

Action Taken: Reviewed the forced labor policy that was written in both English and Vietnamese. These documents are now posted in different areas throughout the factory

Plan Complete: Yes

Plan Complete Date: 11/23/2009

Action Verified: No

Action Verified Text: Completed: The factory has developed the written non-forced labor policy.
Sources: document review, worker interview and management discussion

Action Verified Date:

Freedom of Association: Right to Freely Associate

FOA.2 Workers, without distinction whatsoever, shall have the right to establish and, subject only to the rules of the organization concerned, to join organizations of their own choosing without previous authorization. The right to freedom of association begins at the time that a worker seeks employment, and continues through the course of employment, including eventual termination of employment, and is applicable as well to unemployed and retired workers. (S)

Noncompliance

Explanation: [FLA Comment:](#) Vietnam has not ratified ILO Conventions 87 or 98. Under Vietnamese law, all unions are required to affiliate with the single trade union, the Vietnam General Confederation of Labor (VGCL), which is affiliated with the Communist Party. With respect to such union monopolies, the ILO Committee on Freedom of Association has stated that “the rights of workers to establish organizations of their own choosing implies . . . the effective possibility of forming . . . [trade unions] independent both of those which exist already and of any political party.” Vietnam's legal framework is therefore not compatible with the ILO Principles on Freedom of Association and, as such, all factories in Vietnam fail to comply with the FLA Code standard on Freedom of Association.

Plan Of Action: We are distributing this requirement to the supplier and request them to comply with all those requirements. Please ensure that there is an effective worker representation system at the factory.

Deadline Date: 11/25/2009

Supplier CAP: Study the local law and international law. Compare the difference between their current situation in their factory and the law, figure out the gap and how to close it.

Supplier CAP Date: 11/04/2009

Action Taken:

Plan Complete: Yes

Plan Complete Date: 11/18/2011

Action Verified: No

Action Verified: [Pending \(Vietnam-Specific FLA Comment\):](#)

Text: All of the workers are members of the trade union, VGCL. The current collective bargaining agreement is effective since November 23, 2010 and is valid for 3 years. The Collective Bargaining Agreement (CBA) involves topics on working hours, wages and benefits, apprentice and probation, labor health and safety, reward and discipline, labor dispute settlement, labor target. The monitors did not observe any unreasonable issues within the CBA.

Action Verified Date:

Follow-up Plan of Action: [Update in January 2013:](#)

Trade union was constituted in 2004, current population is 1900 employees and 1700 employees are members of trade union, trade union executive board has 10 representatives and all of them are elected by members. Union executive board meetings are held in monthly basis, documentation is shown with minutes of each meeting and is valid, the last meeting is documented on December 28, 2012. Company management may attend the meetings, or part of the meetings, as necessary for specific issues. Otherwise, company management meets with union representatives every Monday to talk about any worker issues. There is annual meeting with all membership, conducted by the union.

Freedom of Association: Grievance Procedure

FOA.26 Employer shall have in place written grievance procedures that allow first an attempt to settle grievances directly between the worker and the immediate supervisor but that, where this is inappropriate or has failed, it is possible for the worker to have the grievance considered at one or more steps, depending on the nature of the grievance and the structure and size of the enterprise. Employers shall ensure that the grievance procedures and applicable rules are known to workers. (P)

Noncompliance

Explanation: The factory does not have written grievance system. The factory did not organize any meetings between workers and management that would allow workers to have raise concerns or complain.

Sources of evidence:

New finding: The factory provided suggestion box in the production area. However, the instruction manual for using the suggestion box is not posted nearby it for easy reference and usage.

Source of evidence: Management discussion, observation, document review

Plan Of Action: Develop a documented grievance system with the factory monitor their execution.

Deadline Date: 10/28/2009

Supplier CAP: Develop the grievance system and document it. Communicate this workers in all kinds of level. The system should allow worker to write down their complaint and send it to their leaders without mention their name. If the matter cannot be solved within 3 days, it will escalate to higher level of manager.

Supplier CAP Date: 11/13/2009

Action Taken: [Update in November 2011:](#) The factory has trained all workers to read the policies on the bulletin board. These policies are also announced by microphone periodically. The administration manager will check the suggestion box on 15th of every month, review the complaints with factory director and trade union representatives to figure out the answers for workers within 30 days. The response will be posted on notice board.

Plan Complete: [Yes](#)

Plan Complete Date: [11/18/2011](#)

Action Verified: [No](#)

Action Verified Text: [Ongoing:](#)

The factory has a grievance procedure in place. However, several workers interviewed expressed their blur understanding of the steps of grievance procedures. They only knew that suggestion box is for workers to put their comments but did not clearly understand when/who will be opening the boxes and responding to their concerns. When discussing with factory management, they also agreed that appropriate training on Grievance Procedure is necessary and they can further do it in the forthcoming months.

Sources: worker interview, management discussion, observation

Action Verified Date:

Follow-up Plan of Action: [Update in January 2013:](#) There are 5 suggestion boxes located in various areas of factory, the contents are checked each month by a joint team of company management and union representatives, with documentation signed at the time of opening boxes. A bulletin board also contains a message indicating that workers are free to approach company HR at any time with a problem or question.

Harassment or Abuse: Other - Harassment or Abuse

Other

Noncompliance

Explanation: [Harassment or Abuse Policy](#): The factory does not have written policy on Harassment or Abuse. None of the workers or supervisors were aware on the issue or code.

Note: During workers discussion, it was noted that no harassment or abuse case was noted during the testing period from of the past 12 months.

Sources: Management discussion and document review

Plan Of Action: Tumi will review the findings with the factory and developed the Harassment or Abuse Policy within a month.

Deadline Date: 11/13/2009

Supplier CAP: The factory has developed this policy and trained the workers

Supplier CAP Date: 11/20/2009

Action Taken: A document was developed and reviewed.

Plan Complete: Yes

Plan Complete Date: 11/26/2009

Action Verified: No

Action Verified [Completed: The factory has developed a written policy on harassment and abuse.](#)
Text:

Action Verified
Date:

Child Labor: Other Means of Age Verification

CL.4 In those cases where proof of age documentation is not readily available or unreliable, employers shall take all necessary precautions which can reasonably be expected of them to ensure that all workers are at least the minimum working age, including requesting and maintaining medical or religious records of workers, or through other means considered reliable in the local context. (P)

Noncompliance

Explanation: [The factory did not have written policy on working age. Furthermore, the factory did not have written hiring procedures to ensure that no children are hired in the factory.](#)

[Source: Management discussion](#)

Plan Of Action: [Review the noncompliance description with factory and develop a child labor policy.](#)

Deadline Date: [11/13/2009](#)

Supplier CAP: [Child labor policy and procedures are developed with documents in both English and Vietnamese](#)

Supplier CAP Date: [11/20/2009](#)

**Action
Taken:**

**Plan
Complete:** Yes

**Plan
Complete
Date:** 12/25/2009

**Action
Verified:** No

**Action
Verified** Completed: From document review, noted that factory has developed the child labor policy and hiring procedure.

Text: Source: document review

**Action
Verified
Date:**

Code Awareness:

GEN.1 Establish and articulate clear, written workplace standards. Formally convey those standards to Company factories as well as to licensees, contractors and suppliers.

Noncompliance

Explanation: New Finding: There was no Code of Conduct poster provided at production areas where workers can read for reference.

Source of evidence: management discussion, factory tour, observation

**Plan Of
Action:**

**Deadline
Date:**

Supplier CAP: [FLA Code of Conduct has been translated into Vietnamese and posted in the production area.](#)

Supplier CAP Date: [11/04/2011](#)

**Action
Taken:**

Plan Complete: [Yes](#)

Plan Complete Date: [11/17/2011](#)

Action Verified: [No](#)

**Action Verified
Text:**

**Action Verified
Date:**

Code Awareness:

GEN.2 Ensure that all Company factories as well as contractors and suppliers inform their employees about the workplace standards orally and through the posting of standards in a prominent place (in the local languages spoken by employees and managers) and undertake other efforts to educate employees about the standards on a regular basis.

Noncompliance

Explanation: [New Finding:](#) There was no secure communication channel has been established for employee so that they can report the Tumi on the non-compliance of criteria quoted in the Code of Conduct.

Source of evidence: Management discussion, factory tour, interviews

Plan Of Action: Tumi employees are currently assigned as the secure communication channel.

Deadline Date:

Supplier CAP: Tumi employees' email address are posted along with with the FLA Code of Conduct.

Supplier CAP Date: 11/04/2011

Action Taken: [Update in January 2013:](#)
Tumi has two quality inspectors and they are stationing at factory all the time. Workers are able to reach them by talk or email, and their email address posted underneath the FLA Code of Conduct.

Plan Complete: Yes

Plan Complete Date: 11/17/2011

Action Verified: No

Action Verified
Text:

Action Verified
Date:

Health and Safety: Written Health and Safety Policy

H&S.3 Employers are required to develop, maintain and regularly review a written health and safety policy. The policy must, at the very least, be aimed at complying with legal minimum safety and health standards, regulations and procedures. (P)

Noncompliance

Explanation: The factory did not have ESH in written.

Sources: management discussion, document review

Plan Of
Action:

Deadline Date: 11/13/2009

Supplier CAP: A health and safety policy has been written in Vietnamese.

Supplier CAP Date: 11/20/2009

Action Taken: [The evidence was reviewed by Tumi.](#)

Plan Complete: [Yes](#)

Plan Complete Date:

Action Verified: [No](#)

Action Verified Text: [Completed:](#)
[The developed the H&S Policy and training for workers on March 28, 2011.](#)
[Source: Document Review](#)

Action Verified Date:

Health and Safety: Health and Safety Management System

H&S.5 The health and safety policy shall contain the framework for a comprehensive health and safety management system within which employers' responsibilities and workers' rights and duties, various responsibilities of designated personnel, procedures that enable workers to raise health and safety concerns and procedures for reporting death, injury, illness and other health and safety issues (for instance, near-miss accidents) are clear and regularly tested and reviewed. (P)

Noncompliance

Explanation: The factory did not establish Health and Safety committee in place to oversee environment, health and safety areas; or to conduct risk assessment to eliminate risk of labor safety.

Legal reference: Joint Circular 14/1998/TTLT-BLDTBXH-BYT-TLDDVN – of Ministry of Labor, Ministry of Health and Vietnam General Confederation of Labor.

Sources: Management discussion, document review

Plan Of Action: Study the Law 14/1998/TTLT-BLDTBXH-BYT-TLDDVN – of Ministry of Labor, Ministry of Health and Vietnam General Confederation of Labor. Establish a labor protection council.

Deadline Date:

Supplier CAP: A labour protection council has been formed with 7 committees: The Chairman is the representative for employers. There are also other positions, such as Vice-Chairman and medical staff, etc.

Supplier CAP Date: 11/13/2009

Action Taken: Update in November 2011: Factory showed the risk assessment material to Tumi, the first training was done on Oct 20, 2011, and also confirmed to provide this kind of training twice a year and individual training will be arranged for new employees

Plan Complete: Yes

Plan Complete Date: 12/10/2009

Action Verified: No

Action Verified: Ongoing:

Text: It was noted that an EHS (Environment, Health & Safety) committee was established on January 5, 2009. However there were no risk assessment studies conducted, and no records retained on the work of the Committee.

Sources: Management discussion, document review

Action Verified Date:

Follow-up Plan of Action: Update in January 2013: Health and Safety provision training record and participant record were provided and risk assessment is conducted. The last training was held in June 2012.

Health and Safety: Evacuation Requirements and Procedure

H&S.9 All applicable legally required or recommended elements of safe evacuation (such as posting of evacuation plans, the installation and maintenance of an employee alarm and emergency lighting systems, ensuring aisles/exits are not blocked and that workers are not blocked within their workstations, employee education, evacuation procedures, etc.) shall be complied with. Workers shall be trained in evacuation procedures. Alarm systems shall be regularly tested and evacuation drills shall be undertaken at least annually. (S)

Noncompliance

- Explanation:**
1. From factory tour, it was observed that several fire extinguishers were not fully charged at material warehouse and blocked by chemical cans.
 2. Evacuation aisles were blocked by material at one production area.
 3. Emergency preparedness plan: Factory did not establish the emergency preparedness plan.
 4. Emergency lighting: Inappropriate checking procedure for emergency lights; no record of battery life of the lights were maintained thus it was unable to verify if the length of the light was sufficient for workers during the evacuation.

Legal references: Vietnam Stand of Construction: 439/BXD-CSXD September 25, 1997 standard construction, Point: 11.6.1.5, Article 9, Decree 35/2003/ND-CP dated on April 4, 2003 on fire safety.

Sources: Factory observation, management discussion

Plan Of Action:	The factory should establish a systematic way to manage fire prevention.
Deadline Date:	11/13/2009
Supplier CAP:	Provide fire management system. The management team will regularly inspect the fire prevention system.



Supplier 11/26/2009
CAP Date:

Action Update in November 2011:
Taken:

Finding 2: Section heads are requested to check the aisles and make sure their area no blocking on the aisles.

Finding 3: One emergency light was installed on specified area.

Finding 4: Materials and shelves are moved and fire alarms are accessible, there are 2 fire alarms and smoke detectors at warehouse, factory believed that they are enough to cover the size of warehouse.

Plan Yes
Complete:

Plan
Complete
Date:

Action No
Verified:

Action Finding 1 Completed: From visual inspection, it found that fire extinguishers were
Verified charged and checked monthly at material warehouse and production areas.

Text: Finding 2: Ongoing: From factory observation, almost evacuation aisles were easy to use. However, some evacuation aisles were blocked by material at the material warehouse and the sewing section.

Finding 3 Completed: From document review and management interview, it was noted that the factory already developed the emergency preparedness plan.

Finding No. 4: Completed: During IEV review, emergency lights were checked monthly and the length of the lights is sufficient to use.

New findings (IEV: September 19-20, 2011):

1. Aisles: From factory observation, some workers were hidden by leather-shelf at evacuation aisles. Besides, insulation lines at material warehouse are blurred and exit instruction arrows are not available.
2. Evacuation maps are small (size A3) and not easily to figure out if workers standing far.
3. From visual inspection, it was found that emergency lights were not available at staircase of material warehouse.
4. Fire Alarm: From factory observation, fire alarms were obstructed by materials and shelves at material and finishing warehouse. Moreover, the number of fire alarms were not enough to use, because the warehouse are large, there was one fire alarm obstructed at corner of warehouse.

Legal reference: Decree 35/2003/NĐ-CP; Circular 04/2004/TT-BCA, Part III

Source of evidence: From factory tour observation

**Action
Verified
Date:**

Follow-up Re: New Findings:

**Plan of
Action:**

- 1: leather-shelf has moved out from evacuation aisles, insulation lines and exit instruction arrows are clear to mark on the floor.
- 2: Evacuation maps have been enlarged.

Health and Safety: Safety Equipment and First Aid Training

H&S.10 All safety and medical equipment (such as fire fighting equipment, first aid kits, etc.) shall be available in sufficient numbers throughout the factory, maintained and stocked as prescribed and easily accessible to workers. A sufficient number of workers shall be trained in first aid and fire fighting techniques. (S)

Noncompliance

Explanation: [First aid management:](#)

1. There was a lack of necessary first-aid items in first aid kits in the factory.
2. No first-aid procedure posted at the first-aid kits in the factory.

[Legal reference:](#) Circular 09/2000/BYT of the Ministry of Health dated on April 28, 2000, provides guidance on health care for workers in medium and small enterprises, Section III, Point 3.

[Sources:](#) Observation

Plan Of Action: The employer should provide sufficient first-aid supplies in various areas of the factory.

Deadline Date: [11/13/2009](#)

Supplier CAP: [15 first-aid kits have been bought in the factory and placed in different blocks/layer of factory. A First-aid procedure was developed on November 20, 2009](#)

Supplier CAP Date: [11/20/2009](#)

Action Taken: [Update in November 2011:](#) First Aid kits were not fully supplied as some of medicines were stolen and factory had not refilled them in time. The factory will move the first-aid kits to where the section heads are working at, a checklist will be posted next to it and specified person will check the first-aid supplies on a monthly basis.

Plan Complete: Yes

Plan Complete Date: 12/01/2009

Action Verified: No

Action Verified Text: 1. Pending: About 80% of first aid kits were not fully supplied first aid items. In addition, the first aid kits check reports were performed in May. It means that factory were not conducted the first aid kits check at June, July and August, 2011.

2. Completed: From factory observation, the first aid procedure was posted near first aid kits at material warehouse and production area.

Action Verified Date:

Follow-up Plan of Action: Update in January 2013: First Aid kits are up to par. In addition to monthly checks by their medical department, doctor also tours the factory and informally checks the kits on his weekly visits.

Health and Safety: Personal Protective Equipment

H&S.11 Workers shall be provided with effective and all necessary personal protective equipment (such as gloves, eye protection, hearing protection, respiratory protection, etc.) to prevent unsafe exposure (such as inhalation or contact with solvent vapors, noise, dust, etc.) to health and safety hazards, including medical waste. (S)

Noncompliance

Explanation: Not all workers working in excessively noisy areas (e.g. the cutting area) used earplugs or did wear slippers while working. The supervisor said that ear plugs have been provided for workers.

Legal reference: Section III, Circular 10/1998/TT-BLDTBXH: Sources of evidence: Observation and management discussion.

New Findings:

1. 90% sewing workers did not wear shoes or slippers while operating machines.
2. Workers contacting with glue directly did not wear carbon facemasks.

Plan Of Action: The company is investigating why the workers don't use PPE.

Deadline Date: 11/05/2009

Supplier CAP: The factory will educate workers and encourage them to use PPE. The factory will study the dangers of employees working without slippers.

Supplier CAP Date: 11/20/2009

Action Taken:

Plan Complete: Yes

**Plan
Complete
Date:**

**Action
Verified:** No

**Action
Verified
Text:** [Ongoing:](#) Almost all workers used earplugs in the cutting section. However, one worker did not wear earplugs in the buttoning section.
[Sources:](#) from factory tour observation

**Action
Verified
Date:**

**Follow-up
Plan of
Action:** [Update in January 2013:](#) The factory will ensure that the use of PPE is monitored regularly. The factory confirmed that the section heads are requested to check the workers to take the appropriate PPE before on duty.

Health and Safety: Chemical Management and Training

H&S.13 All chemicals and hazardous substances shall be properly labeled and stored in accordance with applicable laws. Labels shall be placed in the local language and the language(s) spoken by workers, if different from the local language. Workers shall receive training, appropriate to their job responsibilities, concerning the hazards, risks and the safe use of chemicals and other hazardous substances. (S)

Noncompliance

- Explanation:**
1. The factory used different types of chemical and stored them on shelves without secondary containment.
 2. No eyewash station was installed.
 3. No MSDS available. The in-charge staffs have not been trained on using chemical.

Legal reference: Vietnam National Standard 5507-2002.

Source: Observation, management discussion

New findings:

1. Some glue bottles were not marked clearly.
2. Chemical and oil bottles after using over, factory laid them outdoor, not guarantee chemical safety.

Sources: factory tour, observation

Plan Of Action: Help the factory understand all these requirements and implement changes that are necessary.

Deadline Date:

Supplier CAP: The factory will set up containment as suggested by the auditors. An eye-wash station will be installed in one month's time. All chemical MSDS documents will be copied and placed nearby.

Supplier CAP

Date:

Action Update in November 2011:

Taken:

The first MSDS training was performed on October 12, 2011, and factory confirmed to provide this kind of training twice a year and individual training for new workers.

- MSDSs are placed where they are needed.
- Eyewash station is installed.
- Secondary containment has been set.

Plan No

Complete:

Plan 12/31/2009

Complete

Date:

Action No

Verified:

Action Finding No.1: Completed All chemicals were stored with secondary containment.

Verified

Text:

Finding No. 2. Completed Eye-wash stations were set up at factory: production area (where workers contacts with glue) and chemical storehouse. However, both two eye-wash stations were not activated during the audit.

Finding No. 3: Ongoing MSDS is provided, however, the factory did not conduct chemical safety training for workers.

Sources: factory tour observation

Action
Verified
Date:

Follow-up The factory will ensure that the chemical safety trainings are conducted.

Plan of

Action:

Health and Safety: Ventilation/Electrical/Facility Installation and Maintenance

H&S.17 All necessary ventilation, plumbing, electrical, noise and lighting services shall be installed and maintained to conform to applicable laws and in such a manner as to prevent or minimize hazardous conditions to workers in the facility. (S)

Noncompliance

Explanation: 1. Electric control panels do not have floor mats to prevent electric shock. No safety cover was provided either.

2. Some control panels were blocked by goods and materials.

Legal reference: Government Decision 35/2003/ND-CP dated on April 4, 2003 providing guidance on the Vietnam Law of Fire Fighting and Prevention, Article 9, Point 1.

Sources: Observation

Plan Of Action: Review this open item with the factory and implement corrective actions.

Deadline Date: 11/05/2009

Supplier CAP: 1. Remove the goods and materials that are blocking the control panels. Draft verbal and written instruction to workers not to block with goods again.

2. Install safety covers for the electric control panel.

3. Provide safety mat to protect workers from electric shocks.

Supplier CAP Date: 11/23/2009

Action Taken: Update in November 2009: The safety covers and control panel trims are done. Other safety precautions are still to be checked.

Plan Complete: Yes

Plan Complete Date:

Action Verified: No

Action Verified Text: 1. Pending: The electric control panels still do not have floor mats.

2. Completed: Electric control panels were not blocked by goods and materials.

Action Verified Date:

Follow-up Plan of Action: November 2011: Floor mats were placed underneath all electric control panels. This was verified by Tumi in visit on November 17, 2011

Health and Safety: Machinery Maintenance and Worker Training

H&S.18 All production machinery, equipment and tools shall be regularly maintained and properly guarded. Workers shall receive training in the proper use and safe operation of machinery, equipment and tools they use. Employers shall ensure safety instructions are either displayed/posted near all machinery or are readily accessible to the workers. (S)

Noncompliance

Explanation: The factory does not have log-out and tag-out policy and procedures for the machines.

Legal reference: According to Vietnam Standards 5507: 2002

Sources: Management discussion and document review

New finding: Some machines did not have upper or lower pulley guards installed to prevent health and safety accidents.

Plan Of Action: Develop this policy and procedure with the factory

Deadline Date: 11/05/2009

Supplier CAP: Develop a log-out and tag-out policy. Write down instructions on how to switch off the electricity before logging-in and during maintenance. The factory is to post the safety operation instructions near machines that are being operated and responsibilities will be delegated.

Supplier CAP Date: 11/23/2009

Action Taken: These actions have been taken

Plan Complete: Yes

Plan Complete Date: 12/10/2009

Action Verified: No

Action Verified Text: Completed: The factory has developed the Lock-Out and Tag-Out Policy and Procedures in the factory
Source: Management discussion, document review

Action Verified Date:

Hours of Work: General Compliance Hours of Work

HOW.1 Employers shall comply with all local laws, regulations and procedures concerning hours of work, public holidays and leave. (S)

Noncompliance

Explanation: 1. Between September 2008 and September 2009, it was noted that 10 out of 24 selected workers worked up to 4.5 overtime hours per day every week during March, August and September 2009. Some workers worked from 10 to 15.5 overtime hours per day in at least 2 days each month of Jan, April, June, September, 2009.

2. 5 selected workers worked 436 to 661 overtime hours from January to September 2009. This means that they worked exceeded 300 hours limit stipulated by Labor Law of Vietnam.

Legal reference: Vietnam Labor Law, Article 69

Sources: Time record review of past 12 months

Plan Of Action: Study the reason why the factory had lot of overtime and work with the factory to find a solution. Sometimes excess OT is not avoidable. But the factory should try to minimize excess OT. The factory should keep monitoring the working hours of all workers.

Deadline Date: 11/05/2009

Supplier CAP: Set up a monitoring system to keep track of all the working hours of all workers. If they have too much OT, a factory leader has to report this information to the management. This should be done in order to avoid the excess working hours for certain workers. The factory will find a solution to improve the efficiency and productivity of the operation in order to reduce the waste and save time or work.

Supplier CAP Date: 11/23/2009

Action Taken: Update in November 2011: Tumi reviewed 20 workers' attendance records from October, when the average working hours was 65 hours per week. This still exceeded the limit 60 hours. The factory is able to control the working hours in the low season, but for high season from April to June and October to January they will try hard to minimize not to exceed the limit and it is the truth. A monitoring system has been established. A policy copy has been sent to FLA for review. Implementation will be reviewed and checked on next visit around March, 2010.

Plan Complete: No

Plan Complete Date:

Action Verified: No

Action Verified Text: [1. Excessive daily overtime, Pending:](#) In reviewing of time records from September 2010 to August 2011, it was noted that 30 out of 40 randomly selected workers from different production sections (Cutting, Sewing, QC, Finished Goods etc.) worked 4.5 to 10.5 overtime hours per day during the latest 12 months.

(Example: one sewing worker worked 10.5 overtime hours from 16:30 to 02:30 during April 04-05, 2011).

[2. Excessive annual overtime limited, Pending:](#) The review of the time records of 40 randomly selected workers revealed that the workers worked in excess of 300 overtime hours from January 2011- August 2011. The number of total overtime hours ranged from 310 to 545 hours annually.

Sources: From time records review

Action Verified Date:

Follow-up Plan of Action: [Update in January 2013:](#) The 2.5 hours maximum for daily overtime is followed, except in peak season. The 8-hour maximum for Saturday work is now being followed. Documentation is available by examination of work records. The factory is working improve productivity to reduce need of OT work. They now have engineering standards, with safety and health guidelines established for each operation. This will show a gradual improvement - but realistically, during high volume periods, it's unlikely the 60-hour per week can be maintained.

Hours of Work: Rest Day

HOW.2 Workers shall be entitled to at least one day off in every seven-day period. If workers must work on a rest day, an alternative day off must be provided within that same seven-day period or immediately following the seven-day period. (P)

Noncompliance

Explanation: According to document review, it was noted that 20 selected workers worked 2 Sundays in January 2009 and 1 Sunday per month during the testing period, September 2008 to September 2009. This meant that workers worked between 14 and 21 consecutively days before having a day off.

Law reference: Vietnam Labor Law, Article 72.

Sources: Time record review of past 12 months

Plan Of Action: Study the reason why the factory had lot of overtime and work with the factory to find a solution. Sometimes excess OT is not avoidable. But the factory should try to minimize excess OT. The factory should keep monitoring the working hours among all workers.

Deadline Date: 11/20/2009

Supplier CAP: Set up a monitoring system to keep track of the working hours of all workers. If they work too much OT, the leader has to report this to the management. The workers should have 1 day's rest in every 7 days in principle unless there is an exceptional case. The factory will find out solution of improving the efficiency and productivity of the operation. In order to reduce the waste and save time or work.

Supplier CAP Date: 11/23/2009

Action Taken: [Update in November 2011:](#) Tumi reviewed 20 workers attendance record which happened in Oct, they all took rest on Sunday. If workers are requested to work on Sunday, it will be offset by a rest-day during the following week. A policy copy has been sent to FLA for review. Implementation will be reviewed and checked on next visit around March, 2010.

Plan Complete: No

Plan Complete Date:

Action Verified: No

Action Verified: [Pending:](#)

Text: In the review of time records from September 2010 to August 2011, it was noted that 30 out of 40 randomly selected workers from different production sections (Cutting, Sewing, QC, Finished Goods etc.) worked on a rest day (Sunday) -these rest days were January 30, February 27, March 6 and May 8 2011.

(Example: one QC workers worked consistently 12 days from May 3, 2011 to May 14, 2011 without rest day).

Sources: time records review

Action Verified Date:

Follow-up Plan of Action: [Update in January 2013:](#) Examination of worker attendance record and verified that this factory no longer works on any Sunday, the last Sunday worked was sample room only on August 21, 2011

Hours of Work: Overtime/Calculation Over Period Longer Than One Week

HOW.10. Employers are allowed to calculate normal hours of work as an average over a period of longer than one week where local laws, regulations and procedures provide for such a possibility but only when all formal and procedural requirements attached to such calculation (for instance, obtaining official permission from the relevant authorities or limits to the period during which such calculations can be made) are met. The basis for such calculation shall, however, remain at all times the lesser of 48 hours per week or legal limits on hours of work in the country of manufacture or, where such legal limits do not exist, the regular work week in such country. (S)

Noncompliance

Explanation: According to records kept between September 2008 to September 2009, 10 selected workers worked from 77.5 to 98 hours per week, including overtime.

Sources: Time record review from the last 12 months

Plan Of Action: Study the reason why the factory had lot of overtime and work with the factory to find a solution. Sometimes excess OT is not avoidable. But the factory should try to minimize excess OT. The factory should keep monitoring the average working hours of all workers.

Deadline Date: 11/20/2009

Supplier CAP: Setup a monitoring system to keep track of the working hours for all workers. If workers have too much OT, the leader has to report this to the management. This is to avoid the excess working hours for certain workers. The factory will work towards improving the efficiency and productivity of the operation in order to reduce the waste and save time and work.

Supplier CAP Date: 12/10/2009

Action Taken: Update in November 2011:
 On the November 17 visit, Tumi reviewed 20 workers attendance record from October; the average working hours was 65 hours per week which exceeds the limit 60 hours. The factory is now able to control the working hours in the low season, but for the high season from April to June and October to January they will try hard to minimize not to exceed the limit. The factory has setup a system to track the working hours of each employee. In addition, the management will review the actions on a regular basis. A copy of the policy has been sent to FLA for review. Implementation will be reviewed and checked on next visit around March.

Plan Complete: No

Plan Complete Date:

Action Verified: No

Action Verified Text: Excessive weekly hours, Pending: In reviewing of time records from September 2010 to August 2011, it was noted that 30 out of 40 workers randomly selected workers (from different production sections: Sewing, QC, Packing, Maintenance, Buttoning) worked 62 to 70.5 hours per week during the latest 12 months.

(Example: one sewing worker worked 70.5 hours during April 25 to April 29, 2011).
 Sources: time record review

Action Verified Date:

Follow-up Plan of Action: Update in January 2013: The 2.5 hours maximum for daily overtime is followed, except in peak season. The 8 hour maximum for Saturday work is followed. Documentation is available by examination of work records. Factory is working improve productivity to reduce need of OT work. They now have engineering standards, with safety and health established for each operation. This will show a gradual improvement - but realistically, during high volume periods, it's unlikely the 60-hour per week can be maintained.