



2009

FAIR LABOR ASSOCIATION INDEPENDENT EXTERNAL MONITORING REPORT

COMPANY: Ping Inc.
COUNTRY: United States
FACTORY CODE: 480082436H
MONITOR: Accordia Global Compliance
AUDIT DATE: December 8, 2009
PRODUCTS: Headwear
PROCESSES: Samples
NUMBER OF WORKERS: 4



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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: It was noted that the facility does not have a documented grievance procedure in place.

Plan Of Action: Issued CAPA #2564 to [factory]. A formal policy has been written and will be a supplement to our Employee Handbook.

GRIEVANCE PROCEDURE

[Factory] strives to be attentive and responsive to its employees' concerns. Management has set forth a process to resolve specific work-related problems or complaints that employees may have. It is our goal to maintain a harmonious, productive work relationship with each employee. The purpose of this procedure is to allow employees to resolve work-related problems and complaints including, but not limited to: disagreement about interpretation or application of company policies, disagreement with an employment decision regarding conditions of employment, (i.e. scheduling, promotions, training, etc.) treatment considered unfair by employee, (i.e., coercion, reprisal, intimidation) alleged discrimination in any form (i.e., race, color, religion, sex, age, etc.).

Any employee can use the grievance process. They will not be penalized or retaliated against for bringing their work-related problems/complaints to management's attention. Employees must not abuse this process by raising issues in bad faith or solely for the purpose of delay or harassment, or by repeatedly raising issues that a reasonable person would judge have no merit. Abuse of the process may result in disciplinary actions.

Progressive Steps of Process:

1. Discuss issue with immediate supervisor.
2. If employee is not comfortable in discussing with immediate supervisor or the matter involves his supervisor, he must then go to his supervisor's superior.
3. Speak with Human Resources about the issue.
4. Final step, speak with CEO or President.



Generally, we will strive to resolve any issues through verbal means. Management is responsible, however, to ensure that the complaint is documented and signed by all parties involved in the conversations. An employee does have the right to have a third party present during conversations.

Deadline 02/16/2010
Date:

Supplier CAPA #2564
CAP:

Supplier CAP 02/16/2010
Date:

Action
Taken:

Plan
Complete:

Plan
Complete
Date:

Harassment or Abuse: Discipline/Review of Disciplinary Action

H&A.3 The disciplinary system shall include possibilities for workers to have disciplinary action imposed on them reviewed by someone at a higher managerial position than the manager who imposed the disciplinary action. In addition, such a system shall include the ability of a worker to appeal and/or question any disciplinary action against him or her and/or have a third party of his or her choice present when the disciplinary action is being imposed. (P)

Noncompliance

Explanation: The facility has established a progressive disciplinary system. However, the system does not provide employees with the ability to appeal any disciplinary actions that may be imposed by the management.

Plan Of Action: Issued CAPA #2563 to the factory. A written appeal procedure has been developed as an addition to the employee handbook.

APPEAL OF DISCIPLINARY ACTION

The factory has set up a progressive Disciplinary Action Plan for violations of company policy which includes verbal warnings, written warnings, suspension and discharge. Actions will generally result in warnings given to an employee by a direct supervisor, but this may vary depending on the need. Whether verbal or written, the supervisor must provide written documentation for the employee's file. In the event of a dispute about a disciplinary action, the employee is encouraged to resolve it at that time with the supervisor or other management official handling the matter. An employee has the right to seek an appeal for the action with his manager's immediate supervisor, Human Resources, or a Company Officer. The employee also has the right to have another individual of his/her choosing at the meeting about an appeal. All appeals must be documented for the files. All necessary actions will be taken to resolve both disciplinary requirements and appeals.

Deadline Date: 02/16/2010

Supplier CAP: CAPA #2563

Supplier CAP Date: 02/16/2010

Action Taken:



Plan
Complete:

Plan
Complete
Date:

Code Awareness:

GEN.3 Develop a secure communications channel, in a manner appropriate to the culture and situation, to enable Company employees and employees of contractors and suppliers to report to the Company on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.

Noncompliance

Explanation: The workplace code of conduct is posted in the break room and the warehouse, both in English and Spanish. The code of conduct includes a phone number for workers to use in order to contact Ping if they need to report any noncompliance to the code; however, the phone number is incorrect. The phone number is that of a life insurance company. Monitors then dialed a similar combination of numbers and reached Ping. A receptionist answered in English and was not able to understand Spanish. When monitors asked for the extension number in Spanish, they were transferred to a voice-mail in English.

Plan Of Action: Issued CAPA #2566 to Ping, Inc. Worked with the security manager and he gave us a number to be used and we added the following statement to the bottom of the English and Spanish versions of the code of conduct: To report issues to Ping, please call the following toll free number [number] and ask for [extension].

Deadline Date: 02/16/2010

Supplier CAP: CAPA #2566

Supplier CAP Date: 02/16/2010

**Action
Taken:**

**Plan
Complete:**

**Plan
Complete
Date:**

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: It was noted during the facility tour that no emergency lights were in place within the production area. OSHA Regulations 1910.37 Means of Egress. Each exit route must be adequately lighted so that an employee with normal vision can see along the exit route.

**Plan Of
Action:** Issued CAPA #2565 to the factory. Separate emergency lights have been installed in the purchasing hallway, sample department, warehouse walkway, warehouse office walkway, upstairs stairwell, and the art department. A new exit sign with an emergency light attachment was installed in the Customer Service area, and the old exit sign moved to the art department door.

**Deadline
Date:** 02/16/2010

**Supplier
CAP:** CAPA #2565



Supplier CAP 02/16/2010

Date:

Action

Taken:

Plan

Complete:

Plan

Complete

Date:
