

Report Number: QIP-ASI135445

Audit Date : 27 Jun., 2013
Expiry Date : 26 Jun., 2014

This report is issued by Focus Technology Co., Ltd. (Made-in-China.com) and the supervising inspectorate (SGS-CSTC Standards Technical Services Co., Ltd.) to confirm that:

Company Name : Qingdao Hitech Automation Instrument Co., Ltd.
 青岛海泰自动化仪表有限公司
Showroom : <http://qdhitech.en.made-in-china.com/>
Address : No. 190, Zhuzhou Road, Laoshan District, Qingdao City, Shandong Province, China.
Product : Counter, Mechanical Counter, Electromagnetic Counter, Electronic Counter, Timer, Sensor.

has been on site audited for the Following Scope of Activity

1. General Information
2. Foreign Trade Capacity
3. Product Research & Development Capacity
4. Management System and Product Certification
5. Production Capacity & Quality Control
6. Working Environment
7. Photos



General Comments:

Qingdao Hitech Automation Instrument Co., Ltd. is a manufacturer with 149 employees; it was established in 1993, located in No. 190, Zhuzhou Road, Laoshan District, Qingdao City, Shandong Province, China. The workshops occupy

an area of about 10,000 square meters. Qingdao Hitech Automation Instrument Co., Ltd. has its own brands “”, “”, “”, “”, “” and “”. It passed ISO9001 certification in 2006. The company has successful foreign trading experience in Europe, North America and South America, etc.



Sign for and on behalf of
 SGS-CSTC Standards Technical Services Co., Ltd.

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SUPPLIER ASSESSMENT REPORT

Audited Company	Qingdao Hitech Automation Instrument Co., Ltd. 青岛海泰自动化仪表有限公司
Audited Site:	No. 190, Zhuzhou Road, Laoshan District, Qingdao City, Shandong Province, China.

Consigner of Assessment	Made-in-China.com	
Audit Type	<input checked="" type="checkbox"/> Initial Audit <input type="checkbox"/> Re-audit	
Valid Date	From 27 Jun., 2013 to 26 Jun., 2014	Verify Report www.sgs.com
Auditor	Dick Li	Reviewed by Jacky Ren

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Part A: General Information

Section 1: Company Overview

1.1 Legal Validity			
Does the company have a valid business license?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Others	Registration Number	370212400000585
Year of established	29 Apr., 1993	Valid Date	29 Apr., 2019
Registered address	No. 190, Zhuzhou Road, Laoshan District, Qingdao City, Shandong Province, China.		
Actual address	No. 190, Zhuzhou Road, Laoshan District, Qingdao City, Shandong Province, China.		
Is the annual review done by local authority (Industrial & Commercial Bureau)?	Yes: It was reviewed in the year of 2013.		
Registered capital	RMB 26,830,600		
Paid-in capital	RMB 26,830,600		
Name of legal representative	Ms. Yunfang Chen		
Business scope	Normal operating items: producing and service of counter, timer and automatic meter, automobile testing instrument and equipment, automobile meter and air conditioner, automobile spare parts (the sales was subject to self company produced products), import and export of cargo and technology (except the forbidden items by the law or administrative regulation, the restricted items by the law or administrative regulation need license before operating). (Special items within above scopes need licensed certificate if required).		
1.2 Basic Information			
Contact person	Ms. Maggie Nie	Email	hitech@hitechqd.com
Phone number	0086-532-88706060	Fax number	0086-532-84891445
URL/Web address	www.qd-hitech.com		
Company type	<input checked="" type="checkbox"/> Manufacturer <input type="checkbox"/> Trading Company <input type="checkbox"/> Combined <input type="checkbox"/> Group Corporation		
Type of ownership	<input checked="" type="checkbox"/> Limited Company <input type="checkbox"/> Public Company <input type="checkbox"/> Foreign joint venture <input type="checkbox"/> State-Owned <input type="checkbox"/> Private Owner <input type="checkbox"/> Wholly foreign-owned enterprises		
Subsidiary company	No subsidiary company.		
Products manufactured / sold scope	Counter, Mechanical Counter, Electromagnetic Counter, Electronic Counter, Timer, Sensor.		
1.3 Company Building Information			
According to:			
<input type="checkbox"/> Land certificate <input checked="" type="checkbox"/> Real estate certificate <input type="checkbox"/> Lease agreement <input checked="" type="checkbox"/> Observation Estimated on site			
The company area about 11,200 square meters			
The land occupies 26,274 square meters.			
The offices occupy about 1,200 square meters.			
The workshops occupy about 10,000 square meters.			

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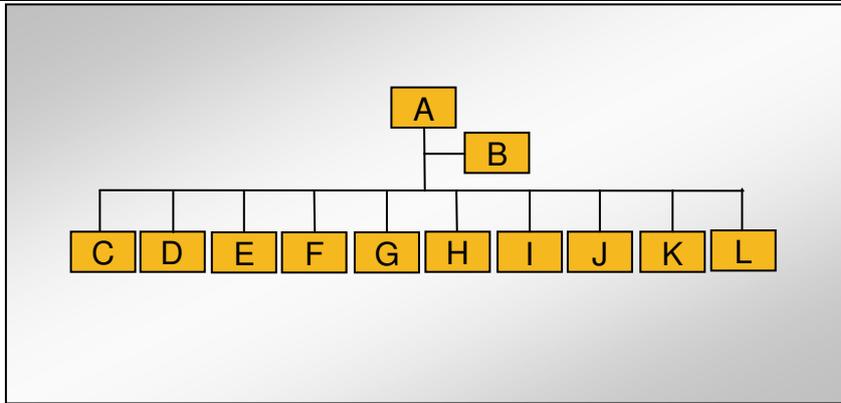
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Section 2: Human Resources

2.1 Company Chart



2.2 Explanation of Code and Employee Details

Code	Department	Number of employees
A	General manager	1
B	Vice general manager	3
C	Assistant of general manager	1
D	HR department	18
E	Enterprise planning department	2
F	Financial department	2
G	R & D department	10
H	QC department	6
I	Purchasing department	3
J	Sales department	13
K	Producing management department	18
L	Producing department	72
Number in total:		149

2.3 Key Staff

Title	Full name	Education	Working experience for this trade / total experience
Sales director	Mr. Yongxi Mao	University	14 / 14
R & D director	Ms. Xiujuan Wang	University	28 / 28

Remark: Above information of key staff was based on interview with company representative.

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Part B: Foreign Trade Capacity

Section 1: Export Overall Situation

1.1 Export Overall Situation	
Does the company have a valid Import and Export license?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
The import and export enterprise code.	No.: 3702614308739
The number of foreign trading staff with relevant trading experience.	<input type="checkbox"/> within 1 year staff <input checked="" type="checkbox"/> 1-5 years 3 staffs <input type="checkbox"/> 6-10 years staff <input type="checkbox"/> over 10 years staff Total 3 staffs
The language freely used by foreign trade staff	<input checked="" type="checkbox"/> English <input type="checkbox"/> others
Annual revenue of previous year	According to the financial report, the annual revenue was RMB 18,362,776.65 in 2012.
Annual export revenue of previous year	According to the tax report, the export revenue was RMB 2,904,601.61 in 2012.
Estimated export revenue for this year.	The estimated export revenue was about RMB 3,000,000 for this year claimed by the audition representative.
Overseas agent / branch	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Nearest port	Qingdao port
Acceptable quotation terms	<input checked="" type="checkbox"/> FOB <input checked="" type="checkbox"/> CIF <input checked="" type="checkbox"/> CFR
Acceptable payment terms	<input checked="" type="checkbox"/> LC <input checked="" type="checkbox"/> T/T <input type="checkbox"/> D/P <input type="checkbox"/> PayPal <input checked="" type="checkbox"/> Western Union <input type="checkbox"/> Small-amount payment
Average lead time (Peak Season)	<input type="checkbox"/> within 15 workday <input checked="" type="checkbox"/> one month <input type="checkbox"/> 2-3 months <input type="checkbox"/> 4-6 months <input type="checkbox"/> 6-12 months <input type="checkbox"/> more time
Average lead time (Off Season)	<input checked="" type="checkbox"/> within 15 workday <input type="checkbox"/> one month <input type="checkbox"/> 2-3 months <input type="checkbox"/> 4-6 months <input type="checkbox"/> 6-12 months <input type="checkbox"/> more time

Section 2: Export Business Capacity

2.1 Market Distribution (please list top three areas)		
Market	Main Product	Main client
<input checked="" type="checkbox"/> North America	Counter, Mechanical Counter, Electromagnetic Counter, Electronic Counter, Timer, Sensor.	Confidential
<input checked="" type="checkbox"/> South America	Counter, Mechanical Counter, Electromagnetic Counter, Electronic Counter, Timer, Sensor.	Confidential
<input checked="" type="checkbox"/> Europe	Counter, Mechanical Counter, Electromagnetic Counter, Electronic Counter, Timer, Sensor.	Confidential
<input type="checkbox"/> Southeast Asia/ Mideast		
<input type="checkbox"/> Africa		
<input type="checkbox"/> East Asia (Japan/ South Korea)		
<input type="checkbox"/> Australia		
<input type="checkbox"/> Domestic		
<input type="checkbox"/> Others		

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Section 3: Supplier Management

3.1 Supplier Management		
Item	Content	Observations /Comments
1	Does the company establish and implement an effective suppliers' assessment procedure?	<input checked="" type="checkbox"/> Have the written procedures and followed records <input type="checkbox"/> Have the written procedures but no records <input type="checkbox"/> Have relevant records without written procedure <input type="checkbox"/> No written procedures or followed records
2	Does the company have an updated list of approved suppliers?	<input checked="" type="checkbox"/> The approved suppliers list was updated in <u>2013</u> <input type="checkbox"/> Have the written suppliers without approved signature or date. <input type="checkbox"/> Provided some suppliers names <input type="checkbox"/> No approved suppliers list

Section 4: After-sales Service Capacity

4.1 After-sales Service Capacity		
Item	Content	Observations /Comments
1	Is there a procedure to conduct random product inspection after final packaging in place?	<input checked="" type="checkbox"/> Have clear standards and written inspection records <input type="checkbox"/> No written standards but had inspection reports <input type="checkbox"/> Have the procedures but no inspection records <input type="checkbox"/> It's not necessary to carry out the inspection
2	Is there a clear procedure for handling customer complaints?	<input checked="" type="checkbox"/> Has the clear procedure and followed records <input type="checkbox"/> Has the procedure but no written records. <input type="checkbox"/> No written procedures or records.
3	Can the finished/package product be traced by lot identification to the appropriate raw materials test reports?	<input checked="" type="checkbox"/> Have the procedures to trace the raw materials. <input type="checkbox"/> Can trace main materials <input type="checkbox"/> Can trace production date. <input type="checkbox"/> Can't trace products
4	Are corrective & preventive actions mechanism established and implemented effectively (including the suppliers/ sub-contractors control, incoming inspection, process control, final inspection and customer complaint)?	<input checked="" type="checkbox"/> Has the clear procedure and followed records <input type="checkbox"/> Has the procedure but no written records. <input type="checkbox"/> No written procedures or records.

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Part C: Product Research & Development Capacity

1.1 Product Research & Development Capacity	
The amount of R&D and relevant working experience.	<input checked="" type="checkbox"/> within 1 year 1 staff <input checked="" type="checkbox"/> 1-5 years 5 staffs <input type="checkbox"/> 6-10 years staff <input checked="" type="checkbox"/> over 10 years 4 staffs Total 10 engineers
What is the main job responsibility for R&D engineers?	R & D new products.
Is there any relevant design input, output, review, verification and validation documentation available for auditor to review?	Yes: Found the design input, output, review, verification and validation documentation available for review during audition.
Is there any special software or instrument used by the R&D staffs during the design process of new products? If yes, please list the main software or instrument.	Software: Auto CAD, SOLIDWORKS, CCAD.
Does the company have an effective design change control procedure in place?	Yes: Found the design change control procedure available for review during audition.
Please list the patent certificates and qualification license.	The company has a utility model patent certificate with No.: ZL 2010 2 0161053.9.

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Part D: Management System and Product Certification

1.1 Management System and Product Certification	
Management system certification	<input checked="" type="checkbox"/> ISO9001:2008 certificate Issued by: CQC; No.: 00112Q211248R2M/3700; Scope: The design and production of counter, timer; Initial issued: 14 Nov, 2006; Valid date: From 31 Oct., 2012 to 30 Oct., 2015. <input type="checkbox"/> ISO14001:2004 certificate <input type="checkbox"/> OHSAS18001:2007 certificate <input type="checkbox"/> TS16949 <input type="checkbox"/> SA8000 <input type="checkbox"/> Others <input type="checkbox"/> NIL
Product certification	<input type="checkbox"/> CE <input type="checkbox"/> UL <input type="checkbox"/> CCC <input type="checkbox"/> RoHs <input type="checkbox"/> FCC <input type="checkbox"/> Others <input checked="" type="checkbox"/> NIL
Test reports for raw materials	<input type="checkbox"/> RoHS <input type="checkbox"/> Reach <input type="checkbox"/> Others <input checked="" type="checkbox"/> NIL

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Part E: Production Capacity & Quality Control

Section 1: Production Capacity

1.1 Production Workflow Chart					
	→		→		→
Raw materials		Mould making		Injection molding- plastic parts	
	→		→		→
Number printed		Metal parts machining work		Wire-electrode cutting	
	→		→		
Assembly		Testing		Finished product	

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1.2 Products Situation (Top three Product Categories)

Product	Price range	Min. order quantity	Top monthly output	Average monthly output	Total in 2012
 891 timer	RMB86-140 /pc	100 pcs	15,010 pcs	9,862 pcs	118,340 pcs
 JL085 mechanical counter	RMB32-36/ pc	100 pcs	10,021 pcs	6,407 pcs	76,880 pcs
 877 electromagnetic counter	RMB78-88 /pc	100 pcs	5,608 pcs	3,946 pcs	47,348 pcs

1.3 Main Facilities

Picture	Facility name	Brand or Country/Region of origin	Target Value/machine*day	Quantity
	injection molding machine	Germany: 5pcs; China:2pcs	/	7
	CNC lathe	China	/	2
	Wire-electrode cutting machine	China	/	5

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Section 2: Production Process Control

2.1 Production Process Control		
Item	Content	Observations /Comments
1	Product R&D capacity	<input checked="" type="checkbox"/> Own brand <input type="checkbox"/> ODM <input type="checkbox"/> OEM
2	Are the environmental conditions, such as tidiness and cleanliness being controlled and suitable for the operation performed?	<input type="checkbox"/> Very tidy <input checked="" type="checkbox"/> Normal <input type="checkbox"/> Need to improve <input type="checkbox"/> Very poor
3	Are the necessary items /documents provided at appropriate location and under control?	<input checked="" type="checkbox"/> Work Instructions /procedures <input type="checkbox"/> Workmanship standard /acceptance <input type="checkbox"/> Golden sample /Approval sample <input type="checkbox"/> Product picture <input type="checkbox"/> Verbal by workshop director
4	Are written instructions available for incoming material inspections /testing? Is the relevant record maintained?	<input checked="" type="checkbox"/> Has instructions and uniformly followed <input type="checkbox"/> Has instruction but no written records <input type="checkbox"/> Materials checked by storage staff
5	Are written inspections /testing instructions available for finished products? Is the relevant record maintained?	<input checked="" type="checkbox"/> Have instructions and uniformly followed <input type="checkbox"/> Have instruction but no written records <input type="checkbox"/> Finished product checked by packing staff
6	What type of inspection is used for finished products?	<input type="checkbox"/> Random inspection <input type="checkbox"/> Visual inspection <input type="checkbox"/> Function inspection <input checked="" type="checkbox"/> 100% inspection <input checked="" type="checkbox"/> Visual inspection <input checked="" type="checkbox"/> Function inspection
7	Are non-conforming units clearly marked/ segregated to prevent accidental dispatch?	<input type="checkbox"/> Marked and segregated <input type="checkbox"/> Segregated but not marked clearly <input checked="" type="checkbox"/> Not found on site
8	How are the non-conforming units handled?	<input checked="" type="checkbox"/> Repaired and re-inspection <input type="checkbox"/> Picked out <input type="checkbox"/> Used under control <input type="checkbox"/> Others

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Part G: Working Environment

Section 1: Working Environment

1.1 Welfare Benefits		
Item	Content	Observations /Comments
1	Does the company have effective procedures to verify the age of staff at the time of recruitment?	<input checked="" type="checkbox"/> Has written procedure and keeps adequate age documents of workers <input type="checkbox"/> Has written procedure but doesn't follow records <input type="checkbox"/> Hasn't written procedure or follows records
2	Do all workers sign employment contracts with the factory?	<input checked="" type="checkbox"/> All workers sign employment contracts <input type="checkbox"/> Some workers sign employment contracts <input type="checkbox"/> Only management staff sign employment contracts <input type="checkbox"/> No staff sign employment contracts
3	Is statutory contribution required for all employees' social insurance (e.g. health insurance, unemployment insurance, accident insurance etc.) paid for by the enterprise?	<input checked="" type="checkbox"/> All workers have social insurance. <input type="checkbox"/> Some workers have social insurance <input type="checkbox"/> Only management staffs have social insurance <input type="checkbox"/> No staff have social insurance
4	Does the company have a clear and effective policy on working hours, rest and vacations? If does, please list it.	<input checked="" type="checkbox"/> All staffs work kept to the policy <input type="checkbox"/> Most of the time it keeps to the policy except midseason. <input type="checkbox"/> Usually needs overtime. <input type="checkbox"/> No relevant records for working hours Describe the working hours: 8 hours per workday.
5	Does the company pay extra remunerations for all overtime work?	<input checked="" type="checkbox"/> For all overtime work. <input type="checkbox"/> For official holidays <input type="checkbox"/> For official holidays except weekend. <input type="checkbox"/> No extra remunerations for overtime.
6	Does the company have dormitories for staff? If yes, please describe the condition.	<input checked="" type="checkbox"/> Provide dormitories for all staff <input type="checkbox"/> Provide dormitories for workers <input type="checkbox"/> Provide dormitories for management staff <input type="checkbox"/> No dormitories were provided. Describe the condition: 2 persons per room.
1.2 Labor Protection		
Item	Content	Observations /Comments
1	Are there uniforms for all staff in company?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Other
2	Is the emergency medical supplies enough and easily used in workshop?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Other: The emergency medical supplies were kept in office
3	Does the company arrange health and safety training for new workers?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Other: only safety training was arranged.
4	Do the workers have the appropriate protective equipment during operation in workshop? Such as gloves, masks.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Other
5	Is there training needed and carried out for fire protection?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Other

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Part J: Photos

Section 1: Photos of Documents

1.1 Photos of Documents	
<p>Description: Business License</p>	<p>Description: Real Estate Certificate</p>
<p>Description: Export License</p>	<p>Description: ISO9001 Certificate</p>
<p>Description: Utility Model Patent Certificate</p>	<p>Description: Brand Certificate</p>

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Section 2: Photos of Company

2.1 Photos of Company and Product Sample

<p>Description: Company Gate</p>	<p>Description: Office Building</p>
<p>Description: Office</p>	<p>Description: Workshop</p>
<p>Description: Workshop</p>	<p>Description: Workshop</p>

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Description: Equipment in Workshop



Description: Equipment in Workshop



Description: Equipment in Workshop



Description: Equipment in Workshop



Description: Equipment in Workshop



Description: Equipment in Workshop



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<p>Description: Equipment in Workshop</p>  <p>Made-in-China.com</p>	<p>Description: Equipment in Workshop</p>  <p>Made-in-China.com</p>
<p>Description: Equipment in Workshop</p>  <p>Made-in-China.com</p>	<p>Description: Equipment in Workshop</p>  <p>Made-in-China.com</p>
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<p>Description: Equipment in Workshop</p> 	<p>Description: Equipment in Workshop</p> 
<p>Description: Equipment in Workshop</p> 	<p>Description: Equipment in Workshop</p> 
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