

SCAN INSIGHT

The Quarterly Newsletter from Supplier Compliance Audit Network Association



IN THIS ISSUE:

- Chair Message - 2
- Exec Summary - 3
- SCAN Website - 3
- Important News - 4
- Q4 Statistics - 5

CONNECT WITH SCAN



[SCAN Association](#)



info@scanassociation.com



www.scanassociation.com



[Past Newsletters](#)

MESSAGE FROM THE CHAIR

Lisa Schulte | Target

SCAN had a busy January with several new members joining the association. It is my pleasure to welcome the following businesses to the SCAN Association:

- American Eagle Outfitters
- Cracker Barrel
- Fruit of the Loom
- Gap Inc
- J. Crew
- TJX Companies
- Zak Designs, Inc

SCAN's growth benefits all members and associated factories. I look forward how we work together to enhance supply chain security.

SCAN BOARD OF DIRECTORS & COMMITTEE CHAIRS



Board Chair
Lisa Schulte | Target



Vice Chair
Jennifer Kissner | Newell Brands



Treasurer
Pat Cerisano | Husky Injection Molding



Secretary
Lesa Hubbard | JCPenney



Committee Chair: Audit
Ken McElroy | The Home Depot



Committee Chair: IT
Holly Roelofs | Meijer



Committee Chair: Marketing & Membership
Ryan Klath | Target



Committee Chair: Service Providers
Yvette Estrada | Trinity Industries



Transportation Provider Chair
Donna Neil | Canadian Tire



Committee Chair: Foreign Origins
Negolas Xie | Newell Brands



Member At Large
Aline Roberto | The Home Depot



Executive Director
Dave Blackorby

EXECUTIVE SUMMARY

Dave Blackorby | Executive Director

SCAN's fourth quarter focus was on concluding the negotiations for an updated contract with our Audit Service Providers (ASP) for 2020. David Blackorby, SCAN Executive Director, and Yvette Estrada, Service Provider Committee Chair, led the negotiations.

Our original six providers (BSI Pacific, BV, Intertek, Omega, SGS, UL) renewed and we added EurofinUS to our list of approved SCAN Audit Service Providers.

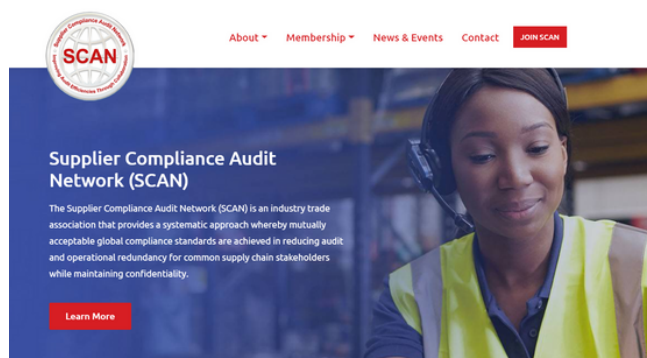
The new contract implements a five percent audit fee increase for all countries and regional areas, significantly broadens the global audit coverage by all of our providers, and requires that all auditors conducting SCAN audits must annually undergo a SCAN-managed minimum security criteria (MSC) audit review and pass an exam to remain certified to conduct audits.

If you require assistance, please contact me at David.Blackorby@yahoo.com.

FRESH LOOK FOR SCAN'S WEBSITE

Have you visited SCAN's website lately? The association revamped the site last fall, giving it a crisp, modern look while updating its security. Another improvement includes membership fees can be paid via PayPal on the site and intuitive menu bar, making content easier to find.

Want to see more? Click on the photo below to check out the updated site.



IMPORTANT NEWS UPDATES

CORONAVIRUS UPDATE

Efforts to minimize the virus' spread impact travel, production, and SCAN audits

While some reports suggest that some of China's manufacturing plants reopened this week, many of them have still been unable to resume production at normal capacity and others are extending dates to resume operations. Efforts to contain the virus' progression are still Chinese government's top priority, meaning roughly 80 million residents across the nation still remain barred from using public transportation and highways, according to at least one report.

These restrictions have left factories closed and SCAN's audit providers unable to travel or enter factories to conduct SCAN audits in China. The impact of these travel restrictions are anticipated to last until February 28. Anticipate a delay in SCAN audits for factories located in China until after this date.

Questions? Contact SCAN@SCRisksolutions.com.

BOARD OF DIRECTORS TRAINING TRIP TO ASIA DELAYED

BOD planning to travel summer or fall 2020

SCAN's Board of directors (BOD) have postponed a planned trip to China, Cambodia, and Vietnam in light of the coronavirus outbreak. This trip's objective is to facilitate training on updated SCAN audit criteria in response to U.S. Customs' updated CTPAT minimum security criteria.

The BOD has extended an invitation to all SCAN members to join this trip. Interested? Contact Vice Chair Jennifer Kissner at jennifer.kissner@newellco.com.

SCAN MEMBER MEETING HOSTED BY THE HOME DEPOT

Save the date! May 5-6, 2020 at THD Store Support Center in Atlanta, GA

Come meet fellow SCAN Members and your BOD this May. Listen and learn from industry leaders from U.S. CBP, BSI, Target, Sealock, and others on topics ranging from SCAN program update, CTPAT criteria updates, "The Trusted Factory" concept, emerging supply chain risks and technologies, training resources, getting the most out of SCM, and more!

Space is limited. RSVP by contacting Audit Committee Chair Ken McElroy at kenneth_mcelroy@homedepot.com.

QUARTER 4 STATISTICS

\$1.18 TRILLION

Combined annual revenue between membership

Members represent many industries, such as retail, apparel, food, sporting goods, and logistics

33 MEMBERS

AUDITS

from program inception to today

72
Countries

5,545
shared audits

10,882
conducted audits

17,220
active factories

