# SCAN INSIGHT

The Quarterly Newsletter from the Supplier Compliance Audit Network Association



## **CONNECT WITH SCAN**



**SCAN Association** 



info@scanassociation.com





www.scanassociation.com

## 2022 STATISTICS

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

# **52 MEMBERS**

## Audits from program inception to today

**82** Countries

11,710

**Shared Audits** 

22,889

Conducted Audits **23,812**Active Factories

2022 Audits

**62** Countries

**2,192**Shared Audits

**4,476**Conducted
Audits

**6,905**Saved Audits

## SCAN NEWS UPDATES

## **NEW AUDIT CADENCE FOR 2023**

#### **Previous Re-Audit Cadence**

In-Person or Immersive Audits

| Re-Audit Cadence is based on the Original Audit |  |  |
|-------------------------------------------------|--|--|
| Score of:                                       |  |  |
|                                                 |  |  |

| Score or.                                                           |                                                                                                                                                 |
|---------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| Grades of =/ > 75%                                                  | 24-month re-audit, but<br>based on country risk may<br>drop to a 12-month rotation                                                              |
| Grades of < 75%                                                     | 12-month re-audit, no matter their country's risk                                                                                               |
| No matter the Grade if<br>their country's risk is High<br>or Severe | 12-month re-audit, no<br>matter their country's risk                                                                                            |
| Incomplete CAPA Report<br>Definition                                | Any report where the location fails to communicate, respond, or address corrective actions during the assigned 60-day Corrective Action process |
|                                                                     |                                                                                                                                                 |
| Self-Assessments                                                    | 12-month re-audit for any<br>score/country level or level<br>of CAPA response                                                                   |

#### **New Re-Audit Cadence**

In-Person or Immersive Audits

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|--------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|--|
| Re-Audit Cadence is based on the Original Audit<br>Score of:                                                       |                                                                                    |  |
| Grades of =/ > 95%                                                                                                 | 24-month re-audit, no matter<br>their country's risk                               |  |
| Grades of =/ > 85% - 94%                                                                                           | 24-month re-audit, but based<br>on country risk may drop to a<br>12-month rotation |  |
| Grades of < 85%                                                                                                    | 12-month re-audit, no matter<br>their country's risk                               |  |
| CAPA/CAPA's - Only<br>partially addressed or<br>not addressed at all<br>(ignored or lack of<br>membership support) | 12-month re-audit regardless<br>of the original score                              |  |
| Definition - Partially<br>Addressed                                                                                | The first round was responded to, but the factory did not submit a follow-up       |  |
| Self-Assessments                                                                                                   | 12-month re-audit for any<br>score/country level or level<br>of CAPA response      |  |

## **SCAN SHADOW AUDIT PROGRAM**

The SCAN organization's goal is to have the best security audit program. It's important for SCAN Members to ensure that auditors conducting the audits on SCAN's behalf are well trained and follow SCAN's guidelines. Feedback from the completed Shadow Audits will be used to provide additional training and resources as appropriate.

Additionally, it provides the SCAN membership an opportunity to actively engage in the audit execution process as an observer of the Audit Service Provider (ASP).

You can read all the details on the SCAN Members Only page here.

## TOP OF MIND

- Sandler Travis Forced Labor & Supply Chain Visibility Resources [strtrade.com]
- <u>CBP Trade News Snapshot [cbp.gov]</u>
- <u>A message from CTPAT Director Garza [https://www.cbp.gov]</u>

## DID YOU KNOW...

## **SCAN EDUCATION SERIES**

We have completed five episodes of our SCAN Education Series and have our next one scheduled on February 22, which will cover the different audit types.

You can find episode slides and recordings on the SCAN Members Only webpage.

If you have any questions or comments about any episode or would like to suggest topics for future episodes, please email **info@scanassociation.com**.

### YOU CAN GET INVOLVED!

The SCAN Association has many committees and always welcomes new committee members to participate and help us continue moving forward.

## Committees available:

Audit Management
Membership & Public Relations
Audit Service Providers
Information Technology
Logistics Service Providers
Foreign Origins

You can read about each of these committees in the About, <u>SCAN Committees</u> section on the SCAN website and/or reach out to: <u>info@scanassociation.com</u> to join.

## **CHINESE NEW YEAR**

- Celebrations of Chinese New Year traditionally last for 16 days, starting from Chinese New Year's Eve to the Lantern Festival
- It is also known as the Lunar New Year, or Spring Festival, and is celebrated by many countries
- Red is the main color for the festival, as red is believed to be an auspicious color for the Lunar New Year, denoting prosperity and energy
- Billions of fireworks go up in China at 12 am and in the first minutes of Chinese New Year, the most anywhere at any time of year