



# Brand Performance Check

## Mountain Force AG

Publication Date: February 2014

This report covers the evaluation period  
01/2012 - 12/2012

## About the Brand Performance Check

Fair Wear Foundation believes that improving conditions for apparel factory workers requires change at multiple levels. Traditional efforts to improve conditions focus primarily on the factory. FWF, however, believes that the management decisions of the clothing brands have an enormous influence for good or ill on factory conditions.

FWF's Brand Performance Check is a tool to evaluate and report on the activities of FWF's affiliate members. The Checks examine how affiliate management systems support FWF's Code of Labour Practices.

In most apparel supply chains, clothing brands do not own factories, and most factories work for many different brands. This means that in most cases FWF affiliates have influence, but not direct control, over working conditions. As a result, the Brand Performance Checks focus primarily on verifying the efforts of affiliates. Outcomes at the factory level are assessed via audits and complaint reports, however the complexity of the supply chains means that even the best efforts of FWF affiliates cannot guarantee results.

Even if outcomes at the factory level cannot be guaranteed, the importance of good management practices by affiliates cannot be understated. Even one concerned customer at a factory can have significant positive impacts on a range of issues like health and safety conditions or freedom of association. And if one customer at a factory can demonstrate that improvements are possible, other customers no longer have an excuse not to act. The development and sharing of these types of best practices has long been a core part of FWF's work.

Improvement of supply chains is a step-by-step process, through which affiliates must address many different issues. FWF affiliates vary greatly in management structures, and have different strengths. The Performance Benchmarking system is designed to reflect these differences, and the many different ways that a company can support better working conditions.

During the Brand Performance Check, FWF staff speak to various employees at the affiliate who have important roles to play in the management of supply chains. FWF verifies the actions of affiliates based on several sources including documentation of activities, financial records, the affiliate's supplier register and staff interviews. Following the Brand Performance Check, FWF summarizes findings in this report, which is made public via [www.fairwear.org](http://www.fairwear.org). The FWF Performance Benchmarking Guide provides more information about the indicators and is available for download.

## Brand Performance Check Details

Date of Brand Performance Check	29/11/13	
Conducted by:	Kees Gootjes	
Interviews With:	Werner Matzner	CFO
	Roman Stepek	CEO

## Scoring

Affiliate Benchmarking scores and Performance Benchmarking categories will be published starting in 2014. During 2013, FWF will be testing out the new system and evaluating the appropriate threshold levels for Benchmarking categories.

# Mountain Force AG

## 2013 Brand Performance Check

<b>Affiliate Information</b>		
<b>Headquarters:</b>	Rotkreuz	Switzerland
<b>Member Since:</b>	August	2011
<b>Product Types:</b>	Outdoor	
<b>Production countries:</b>	FWF Active Countries: China Other countries: N/A	
<b>Basic Requirements</b>		
<b>Workplan for this evaluation period was submitted?</b>	Yes	Must be submitted before start of evaluation period
<b>Projected supplier register for this evaluation was submitted?</b>	Yes	Must be submitted before start of evaluation period
<b>Actual supplier register for this evaluation period has been submitted?</b>	Yes	Must be submitted after the end of the evaluation period.
<b>Membership fee has been paid?</b>	Yes	
<b>All suppliers have been notified of FWF membership?</b>	Yes	
<b>Scoring Overview</b>		
<b>% of suppliers under monitoring</b>	100%	
<b>Summary</b>	<p>Mountain Force meets most of FWFs management system requirements and goes beyond. It monitors 100% of its suppliers as it currently only sources from one factory that is audited annually.</p> <p>Mountain Force has an effective purchasing practice that works to limit overtime and pay sufficient wages. Mountain Force is recommended to work together with other brands sourcing at its supplier and to ensure that a WEP training session takes place at the factory.</p>	

# Purchasing Practices

Basic Measures		Comments
% of production in low-risk countries	0%	Countries with relatively low risk of

Performance Indicators	Result	Relevance of Indicator	Documentation
<b>1.1 Percentage of production volume from suppliers where affiliate buys at least 10% of production capacity.</b>	0%	Affiliates with less than 10% of a factories' production capacity generally have limited influence on factory managers to make changes.	Supplier register provided by affiliate.
	Comment: Mountain Force sources from 1 factory located in China where it buys less than 10% of production capacity.		
<b>1.2 Percentage of production volume from suppliers where a business relationship has existed for at least five years.</b>	100%	Stable business relationships support most aspects of the Code of Labour Practices, and give factories a reason to invest in improving working conditions.	Supplier register provided by affiliate.
	Comment: Mountain Force has sourced from 1 factory since restarting the company.		
<b>1.3 Labour conditions are considered when selecting new suppliers.</b>	Not Applicable	Including labour conditions considerations in selecting suppliers supports responsible business practices.	Documentation of decisionmaking process; e.g. checklists for buyers, emails, etc
	Comment: Mountain Force is currently not selecting new suppliers.		
<b>1.4 All new suppliers are required to sign and return the Code of Labour Practices before first orders are placed.</b>	Not Applicable	The CoLP is the foundation of all work between factories and brands, and the first step in developing a commitment to improvements.	Signed CoLPs are on file.
	Comment: Mountain Force is currently not selecting new suppliers.		
<b>1.5 Company conducts audits at all new suppliers before placing orders.</b>	Not Applicable	An important due diligence step. Before placing production orders, affiliates should conduct an audit at all new suppliers to assess risks for CoLP violations.	Audit documentation; must meet FWF audit quality standards.
	Comment: Mountain Force is currently not selecting new suppliers.		
<b>1.6 Affiliate sources from an FWF factory member.</b>	Yes	When possible, FWF encourages affiliates to source from FWF factory members. The small number of factories in the programme means sourcing from FWF factory members cannot be a requirement	Supplier register provided by affiliate.
	Comment: Mountain Force sources from FWF member factory KTC.		

<p><b>1.7 Percentage of production volume from factories owned by the affiliate.</b></p>	<p>0%</p>	<p>Owning a supplier provides clear accountability for and direct influence over working conditions. It reduces the risk of unexpected CoLP violations.</p>	<p>Supplier register provided by affiliate.</p>
<p>Comment: Mountain Force does not own its production location.</p>			
<p><b>1.8 Supplier compliance with Code of Labour Practices is evaluated in a systemic manner.</b></p>	<p>Yes, and performance improvement is awarded.</p>	<p>A systemic approach is required to integrate social compliance into normal business processes, and supports good decisionmaking.</p>	<p>Documentation of systemic approach: rating systems, checklists, databases, etc.</p>
<p>Comment: Mountain Force evaluates supplier compliance with Code of Labour Practices and rewards performance improvement by continuing to source exclusively at its supplier.</p>			
<p><b>1.9 The affiliate's production planning systems support reasonable working hours.</b></p>	<p>Strong, integrated systems in place.</p>	<p>Affiliate production planning systems can have a significant impact on the levels of excessive overtime at factories.</p>	<p>Documentation of robust planning systems.</p>
<p>Comment: Mountain Force has a strong, integrated system in place that ensures that the supplier has enough time to produce the orders. It does this by maintaining a very generous lead time, producing only one collection a year, and by having constant communication with the</p>			
<p><b>1.10 Percentage of production volume from suppliers where excessive overtime is found by FWF.</b></p>	<p>100%</p>	<p>Excessive overtime is one of the most common labour rights violations in high-risk production countries. It is often caused by poor production planning by brands.</p>	<p>Audits conducted by FWF auditors; Complaints filed via the FWF worker helpline.</p>
<p>Comment: The most recent FWF audit at the supplier showed that excessive overtime has taken place, albeit at a reduced rate.  Recommendation: The affiliate is recommended to dialogue with supplier on the causes of excessive overtime.</p>			
<p><b>1.11 Degree to which affiliate analyses and mitigates root causes of excessive overtime, if found.</b></p>	<p>Reactive approach</p>	<p>Affiliate production planning systems can have a significant impact on the levels of excessive overtime at factories.</p>	<p>Examples of root cause analyses and resulting changes in production planning/policy.</p>
<p>Mountain Force has a close relationship with its supplier, and has taken steps in 2013 to reduce overtime by placing its Purchase Order earlier to allow for more flexibility (and will be rewarded for this in its BPC 2013).</p>			
<p><b>1.12 Affiliate's pricing policy allows for payment of at least the legal minimum wages in production countries.</b></p>	<p>Affiliate can demonstrate at a style level that pricing allows enough to pay minimum wages for each product.</p>	<p>The first step towards ensuring the payment of minimum wages - and towards implementation of living wages - is to know the labour costs of garments.</p>	<p>Formal systems to calculate labour costs on per-product or country/city level.</p>
<p>Mountain Force and its supplier participated in a FWF/EOG report on living wage engineering. This report made clear that Mountain Force pays enough to attain minimum wages.  Recommendation: Mountain Force can work out similar production and pricing analyses for its other products and styles.</p>			

<p><b>1.13 Affiliate actively responds if suppliers fail to pay legal minimum wages.</b></p>	<p>Not Applicable</p>	<p>If a supplier fails to pay minimum wage, FWF affiliates are expected to hold management of the supplier accountable for respecting local labour law.</p>	<p>Complaint reports, CAPs, additional emails, FWF audit reports or other documents that show minimum wage issue is reported/resolved.</p>
<p>Comment: Mountain Force's supplier has not failed to pay legal minimum wages in 2013.</p>			
<p><b>1.14 Evidence of late payments to suppliers by affiliate.</b></p>	<p>No</p>	<p>Late payments to suppliers can have a negative impact on factories and their ability to pay workers on time. Most garment workers have minimal savings, and even a brief delay in payments can cause serious problems.</p>	<p>Based on a complaint or audit report; review of factory and affiliate financial documents.</p>
<p><b>1.15 Degree to which affiliate assesses root causes of wages lower than living wages with suppliers.</b></p>	<p>Supply chain approach</p>	<p>Sustained progress towards living wages requires adjustments to affiliates' policies.</p>	<p>Wage ladders, correspondance with supplier, other relevant documentation.</p>
<p>Comment: Mountain Force supports movement towards living wages by participating in FWF living wages study. This study showed the potential retail price increases based on movement towards living wage. In addition to this, audits show that Mountain Force's supplier is making progress towards paying living wages.</p>			

**Purchasing Practices Comments:**

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# Monitoring & Remediation

Basic Measures		Comments
% of own production under monitoring	100%	Measured as a percentage of turnover.
Minimum monitoring threshold based on years of membership:	90% (meets threshold)	1 year: 40%; 2 years 60%; 3 years+: 90%

  

Performance Indicators	Result	Relevance of Indicator	Documentation
<b>2.1 Specific staff person is designated to follow up on problems identified by monitoring system.</b>	Yes	Followup is a serious part of FWF membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.
<b>2.2 Degree of progress towards resolution of existing Corrective Action Plans.</b>	An in-depth effort has been made to address most or all CAPs.	FWF considers efforts to resolve CAPs to be one of the most important things that affiliates can do towards improving working conditions.	Documentation of remediation and followup actions taken by affiliate
	Comment: Mountain Force and its supplier put considerable effort into addressing issues in CAPs. There is also frequent contact and visits that take place.		
<b>2.3 Percentage of production volume from suppliers that have been visited by the affiliate in the past financial year.</b>	100%	Formal audits should be augmented by annual visits by affiliate staff or local representatives. They reinforce to factory managers that affiliates are serious about implementing the Code of Labour Practices.	Affiliates should document all factory visits with at least the date and name of the visitor.
	Comment: Mountain Force visits its one supplier multiple times during the year.		
<b>2.4 Existing audit reports are collected.</b>	Not Applicable	Existing reports form a basis for understanding the issues and strengths of a supplier, and reduces duplicative work.	Audit reports are on file; evidence of followup on prior CAPs.



<p><b>2.5 Audit Report and Corrective Action Plan (CAP) findings are shared with factory. Improvement timelines are established in a timely manner.</b></p>	<p>Yes</p>	<p>FWF audit reports should be shared and discussed with suppliers within two months of audit receipt. Timely sharing of information and agreement on corrective actions is essential for improvement. A reasonable time frame should be specified for resolving findings.</p>	<p>Audit reports are on file; evidence of followup on prior CAPs.</p>
<p><b>2.6 A structured approach is used to address issues that occur at multiple suppliers.</b></p>	<p>Not Applicable</p>	<p>Issues that occur in multiple factories often need to be addressed in a systemic manner, especially when the root causes are located in brand management choices.</p>	<p>Documentation of a systemic approach: root cause analyses, productivity assessments, guidance documents, internal system changes, etc.</p>
<p><b>2.7 Affiliate cooperates with other customers in resolving corrective actions at shared suppliers.</b></p>	<p>No cooperation</p>	<p>Cooperation between customers increases leverage and chances of successful outcomes. Cooperation also reduces the changes of a factory having to conduct multiple Corrective Action Plans about the same issue with multiple customers</p>	<p>Shared CAPs, evidence of cooperation with other customers.</p>
	<p>Comment: Mountain Force currently does not cooperate with other customers to resolve corrective actions at the shared supplier.</p> <p>Recommendation: Cooperation among costumers increases leverage, the chances of successful outcomes and long term improvements. A first step can be identifying other clients and their commitment to improving working conditions.</p>		
<p><b>2.8 Monitoring requirements are fulfilled for production in low-risk countries.</b></p>	<p>Not Applicable</p>	<p>Low risk countries are determined by the presence and proper functioning of institutions which can guarantee compliance with basic standards.</p>	<p>Documentation of visits, notification of suppliers of FWF membership; posting of worker information sheets, completed questionnaires.</p>
<p><b>2.9 External brands resold by the affiliate who have completed and returned the external brand questionnaire. (% of external sales volume)</b></p>	<p>Not Applicable</p>	<p>FWF believes it is important for affiliates that have a retail/wholesale arm to at least know if the brands they resell are members of FWF or a similar organisation, and in which countries those brands produce goods.</p>	<p>Questionnaires are on file.</p>

<p><b>2.10 External brands resold by affiliates that are members of another credible initiative. (% of external sales volume)</b></p>	<p>Not Applicable</p>	<p>FWF believes affiliates who resell products should be rewarded for choosing to stock external brands who also take their supply chain responsibilities seriously.</p>	<p>Supplier register; Documentation of sales volumes of products made by FWF or FLA members.</p>
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**Monitoring Comments:**

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# Complaints Handling

Basic Measures		Comments
Number of worker complaints received since last check.	0	At this point, FWF considers a high number of complaints as a positive indicator, as it shows that workers are aware of and making use of the
Number of worker complaints in process of being resolved.	0	
Number of worker complaints resolved since last check.	0	

Performance Indicators	Result	Relevance of Indicator	Documentation
<b>3.1 A specific employee has been designated to address worker complaints.</b>	Yes	Followup is a serious part of FWF membership, and cannot be successfully managed on an ad-hoc basis.	Manuals, emails, etc., demonstrating who the designated staff person is.
<b>3.2 System exists to check that the Worker Information Sheet is posted in factories.</b>	Yes	The Worker Information Sheet is a key first step in alerting workers to their rights.	Photos by company staff, audit reports, checklists from factory visits, etc.
	Comment: As mentioned earlier, Mountain Force visits factory multiple times a year.		
<b>3.3 Percentage of audited factories where at least half of workers are aware of the FWF worker helpline.</b>	0%	The FWF complaints procedure is a crucial element of verification. If factory-based complaint systems do not exist or do not work, the FWF worker helpline allows workers to ask questions about their rights and file complaints.	Percentage of audited factories where at least 50% of interviewed workers indicate awareness of the FWF complaints mechanism.
	<p>Comment: FWF's most recent audit showed that most workers 'did not develop themselves a good understanding of the FWF Code of Labour Practices or social compliance'. The previous audit, however, showed that workers were aware of FWF Code of Labour Practices and complaints procedure. For this reason, half of the points have been awarded.</p> <p>Recommendation: The affiliate can stimulate its supplier to participate in WEP trainings, to raise awareness about the existence and the functioning of FWF's worker hotline.</p>		

<p><b>3.4 All complaints received from factory workers are addressed in accordance with the FWF Complaints Procedure.</b></p>	<p>Not Applicable</p>	<p>Involvement by the FWF affiliate is crucial in resolving a complaint at a supplier.</p>	<p>Documentation that affiliate has completed all required steps in the complaints handling process.</p>
<p><b>3.5 Cooperation with other customers in addressing worker complaints at shared suppliers</b></p>	<p>Not Applicable</p>	<p>Because most factories supply several customers with products, involvement of other customers by the FWF affiliate can be critical in resolving a complaint at a</p>	<p>Documentation of joint efforts, e.g. emails, sharing of complaint data, etc.</p>

**Complaints Comments**

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## Training & Capacity Building

Performance Indicators	Result	Relevance of Indicator	Documentation
<b>4.1 Staff at affiliate is made aware of FWF membership requirements.</b>	Yes	Preventing and remediating problems often requires the involvement of many different departments; making all staff aware of FWF membership requirements helps to support cross-departmental collaboration when needed.	Emails, trainings, presentation, newsletters, etc.
	Comment: Mountain Force communicates about FWF and audit results in internal mailings and newsletters. It is a relatively small organization, making it easy to disseminate this kind of information.		
<b>4.2 Advanced training is provided to staff in direct contact with suppliers on CoLP requirements.</b>	Yes	Sourcing, purchasing and CSR staff at a minimum should possess the knowledge necessary to implement FWF requirements and advocate for change within their organisations.	FWF Seminars or equivalent trainings provided; presentations, curricula, etc.
	Comment: The person in charge of sourcing is well aware of FWF membership and the audit results.		
<b>4.3 Agents are informed of CoLP requirements and act to support their implementation.</b>	Not Applicable	Agents have the potential to either support or disrupt CoLP implementation. It is the responsibility of affiliate to ensure agents actively support the implementation of the CoLP.	Correspondence with agents, trainings for agents, FWF audit findings.
	Comment: Mountain Force does not make use of agents in its purchasing process.		
<b>4.4 Factory participation in Workplace Education Programme (where WEP is offered; by production volume).</b>	0%	Lack of knowledge on best practices related to labour standards is a common issue in factories. Good quality training of workers and managers is a key step towards sustainable improvements.	Documentation of relevant trainings; participation in Workplace Education Programme.
	<p>Comment: Mountain Force's one supplier has not conducted a WEP yet.</p> <p>Recommendation: The affiliate is recommended to enrol its supplier in FWFs Workplace Education Programme (WEP), which offers trainings factories producing for FWF members. WEP trainings contribute to social dialogue between workers and management. The introductory training of WEP builds awareness of labour standards and strengthens dispute handling mechanisms. It is made available to FWF members</p>		

<p><b>4.5 Factory participation in trainings (where WEP is not offered; by production volume).</b></p>	<p>Not Applicable</p>	<p>In areas where the Workplace Education Programme is not yet offered, affiliates may arrange trainings on their own. Trainings must meet FWF quality standards to receive credit for this indicator.</p>	<p>Curricula, other documentation of training content, participation and outcomes.</p>

**Training & Capacity Building Comments**

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# Information Management

Performance Indicators	Result	Relevance of Indicator	Documentation
5.1 Supplier register for the previous financial year is verified as being complete and accurate.	Yes	Any improvements to supply chains require affiliates to first know all of their suppliers.	Completed supplier register; Financial records of previous financial year.
5.2 A system exists to allow purchasing, CSR and other relevant staff to share information with each other about working conditions at suppliers.	Yes	CSR, purchasing and other staff who interact with suppliers need to be able to share information in order to establish a coherent and effective strategy for improvements.	Internal information system; status CAPs, reports of meetings of purchasing/CSR; systematic way of storing information.
	Comment: The person in charge of sourcing is well aware of FWF membership and the audit results.		

**Information Management Comments:**

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# Transparency

Performance Indicators	Result	Relevance of Indicator	Documentation
<b>6.1 Communication about FWF membership adheres to the FWF communications policy.</b>	Yes	FWF membership should be communicated in a clear and accurate manner. FWF guidelines are designed to prevent misleading claims.	Logo is placed on website; other communications in line with policy. Affiliates may lose points if there is evidence that they did not comply with the communications policy.
<b>6.2 Affiliate engages in advanced reporting activities.</b>	Yes	Good reporting by members helps to ensure the transparency of FWF’s work and shares best practices with the industry.	Affiliate publishes one or more of the following on their website: Brand Performance Check, Audit Reports, Supplier List.
	<p>Comment: Mountain Force is transparent about where it sources its products. It currently does not, however, publish the annual audit reports for its supplier on its website.</p> <p>FWF recommends the affiliate to publish one or more of the following reports on its website: Brand performance check, Audit Reports. Good reporting by members helps to ensure the transparency of the affiliate and FWF’s work.</p>		
<b>6.3 Social Report is submitted to FWF and is published on affiliate’s website</b>	Complete report submitted to FWF	The Social Report is an important tool for brands to transparently share their efforts with stakeholders.	Report adheres to FWF guidelines for Social Report content.
	<p>Comment: Mountain Force submitted its Social Report for 2012.</p> <p>Recommendation: FWF approach requires transparency on affiliates work towards social standards. The social report needs to be submitted to FWF and published on affiliate’s website.</p>		

**Transparency Comments:**

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# Evaluation

Performance Indicators	Result	Relevance of Indicator	Documentation
<b>7.1 Systemic annual evaluation of FWF membership is conducted with involvement of top management.</b>	Yes	An annual evaluation involving top management ensures that FWF policies are integrated into the structure of the company.	Meeting minutes, verbal reporting, Powerpoints, etc.
Comment: FWF membership is discussed and evaluated on an ongoing basis by the leadership of the company.			
<b>7.2 Percentage of required changes from previous Brand Performance Check implemented by affiliate.</b>	Not Applicable	In each Brand Performance Check report, FWF may include requirements for changes to management practices. Adherence to these requirements is an important part of FWF membership.	Affiliate should show documentation related to the specific requirements made in the previous Brand Performance Check.
Comment: Mountain Force's previous BPC did not include any Requirements.			

**Evaluation Comments:**

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## Comments to FWF

This area provides an opportunity for affiliates to provide feedback to FWF.

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