



What's in that Heel?

Traceability of a Complex Product

Gary M. Barraco

Vice President – Industry Development

The Heel

You see, the distribution of pressure on a conventional female *heel* cannot hold the weight of a man.



*If we could mold the
steel
One piece from ball to
heel,
We'd underpin it, and
remake it,
So not even Don could
break it.*



Dodd-Frank Act

Tantalum COLUMBITE-TANTALITE	Tin CASSITERITE	Tungsten WOLFRAMITE	Gold
			



Conflict Minerals – Where are They?

- **Tin** can appear in the following:
 - In metallized fabrics
 - As solder in buttons, zippers, and other fasteners
 - As composite material in zippers, hooks, fasteners, and other metal components
 - As coating to make zippers, other fasteners, and other metal components shiny (tin salt)
 - As composite material in rivets and eyes
 - As composite material in drawstring and shoelace grommets
 - As composite material in glitter and other shiny, reflective materials
 - In leather (as a result of the tanning process)

Conflict Minerals – Where are They?

Gold can appear in the following:

- As plating to make zippers, other fasteners, and other metal components shiny
- In metallized yarns

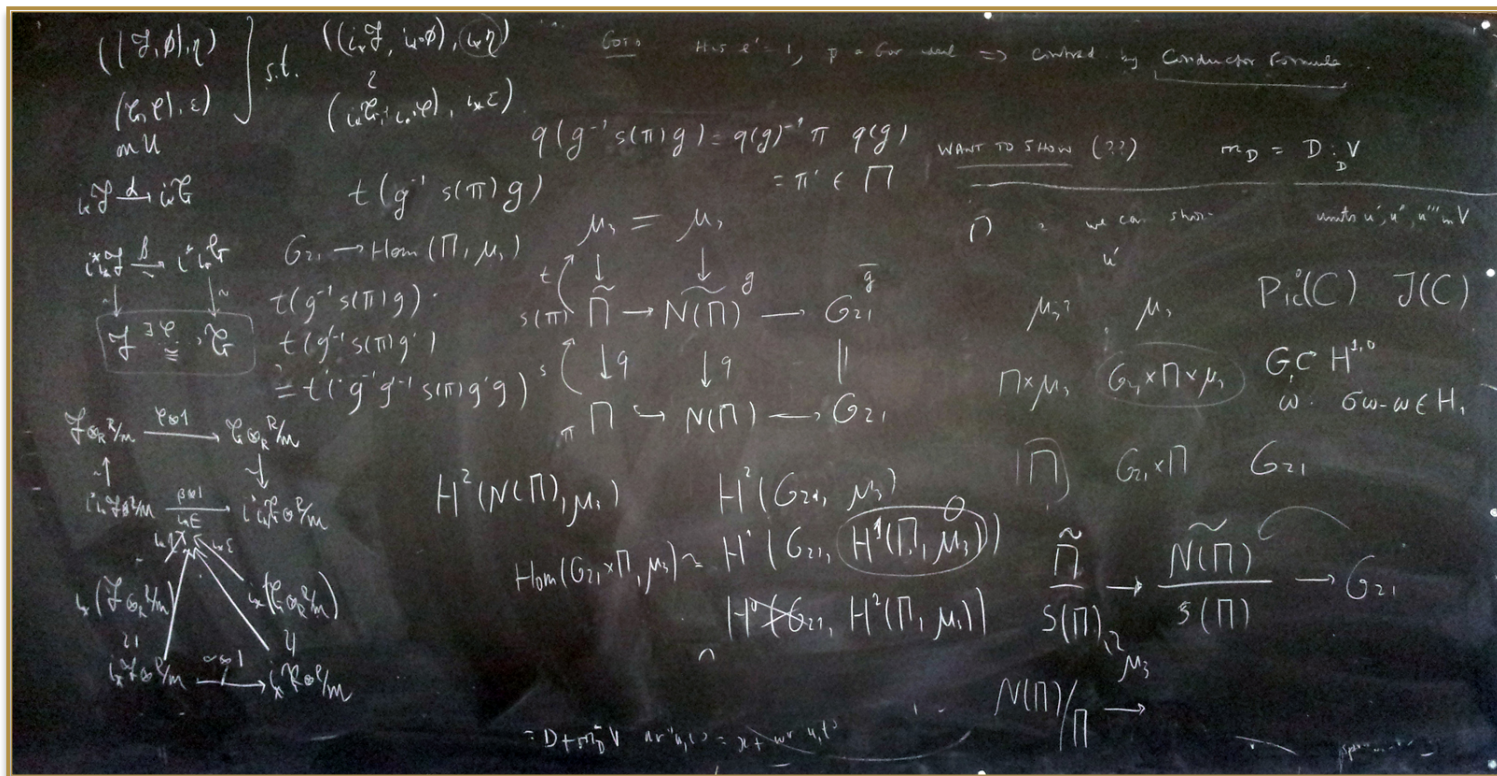
Tantalum:

- Organizations have yet to determine where tungsten can appear in footwear and related products

Tungsten:

- Organizations have yet to determine where tungsten can appear in footwear and related products.
- While tungsten can appear in certain types of high-end dyes, it does not appear that those dyes are typically used in apparel, footwear, and related products.

“When I did math in school I had to do the work and show the answer.”

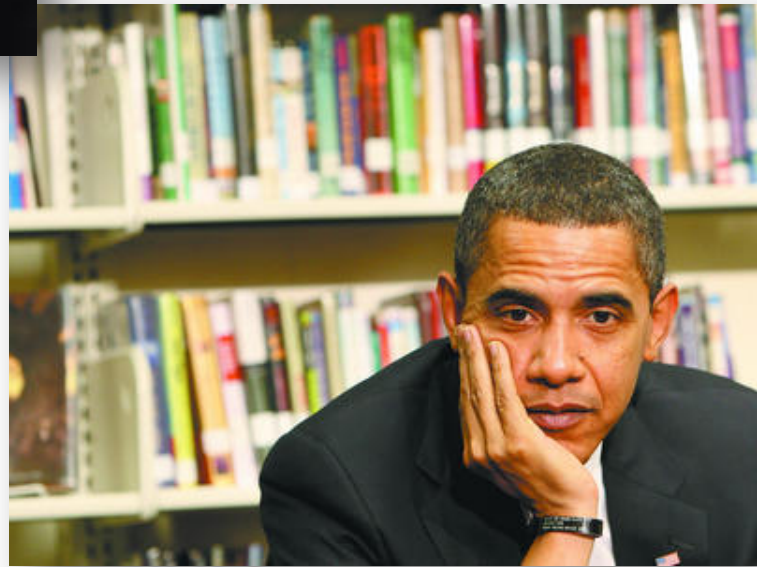


“What has happened now is companies have to show their work and not their answer.”

Expectations

- The SEC estimated that conflict mineral reports would cost companies a total of \$3 billion to \$4 billion in the first year, but **drop** to about \$200 million to \$600 million in following years.
- Companies were expected to spend about 480 hours, on average, to complete a report, compared with about 2,000 hours for a corporate annual report.





How did the industry fare?

- Hard to keep vendors educated and engaged.
- Does it apply?
- For the most part, companies don't think they're selling goods that contain metals from suspect sources.
- Most admit they're still chasing down information from suppliers and setting up systems to get the subject on the radar of their vendors.



Consumer

Factory

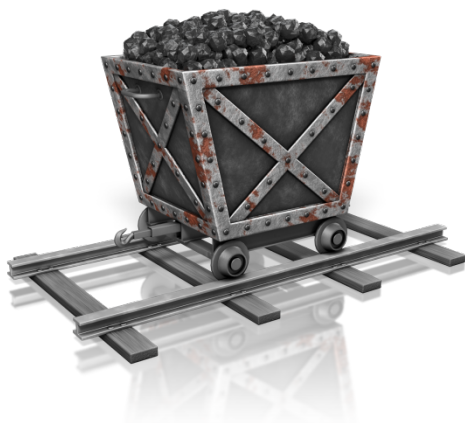
Material Supplier

Component Supplier

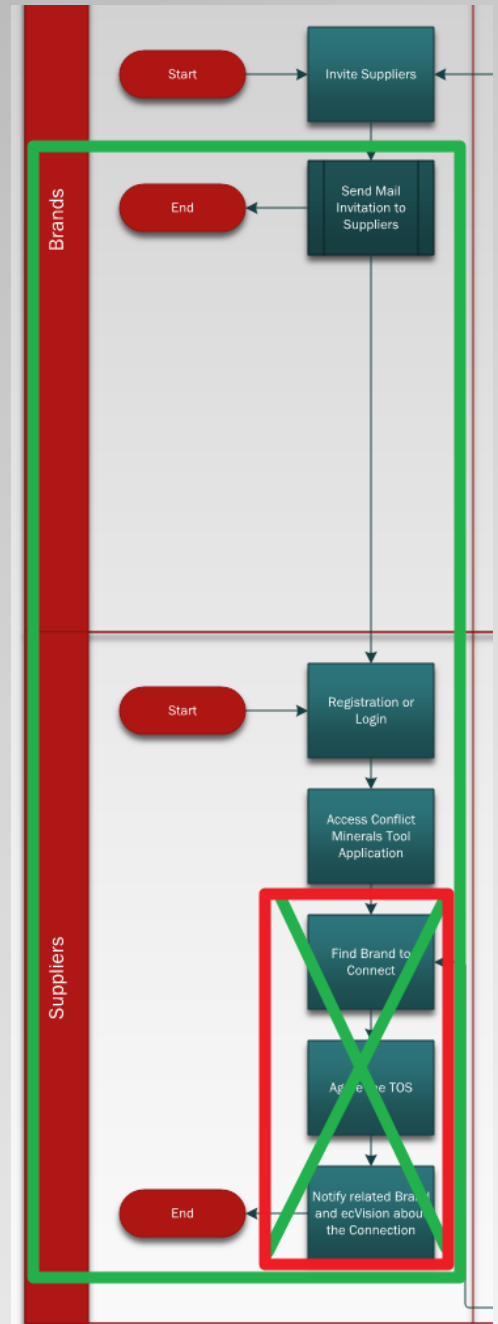
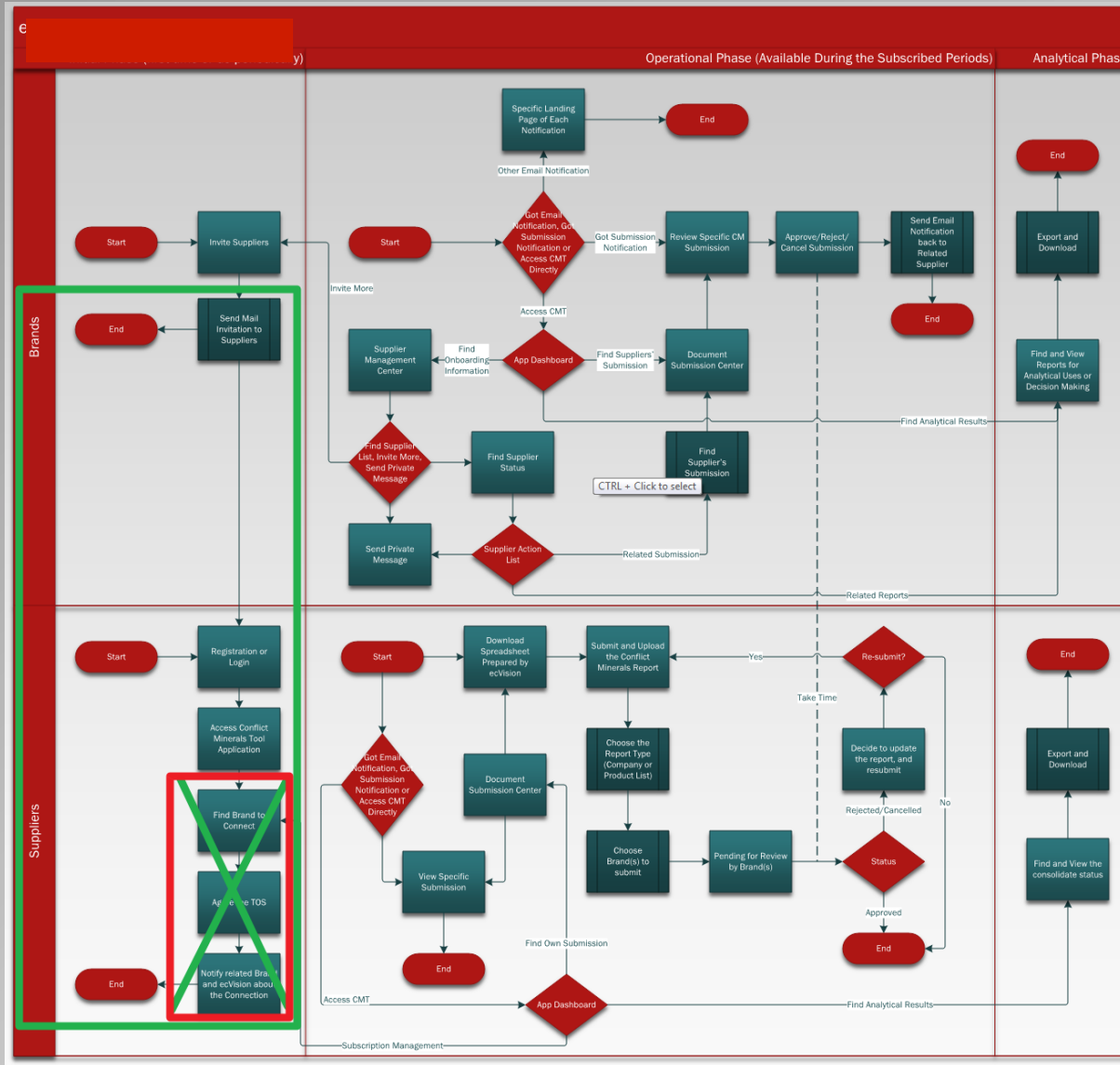
Smelter

Trader

Mine



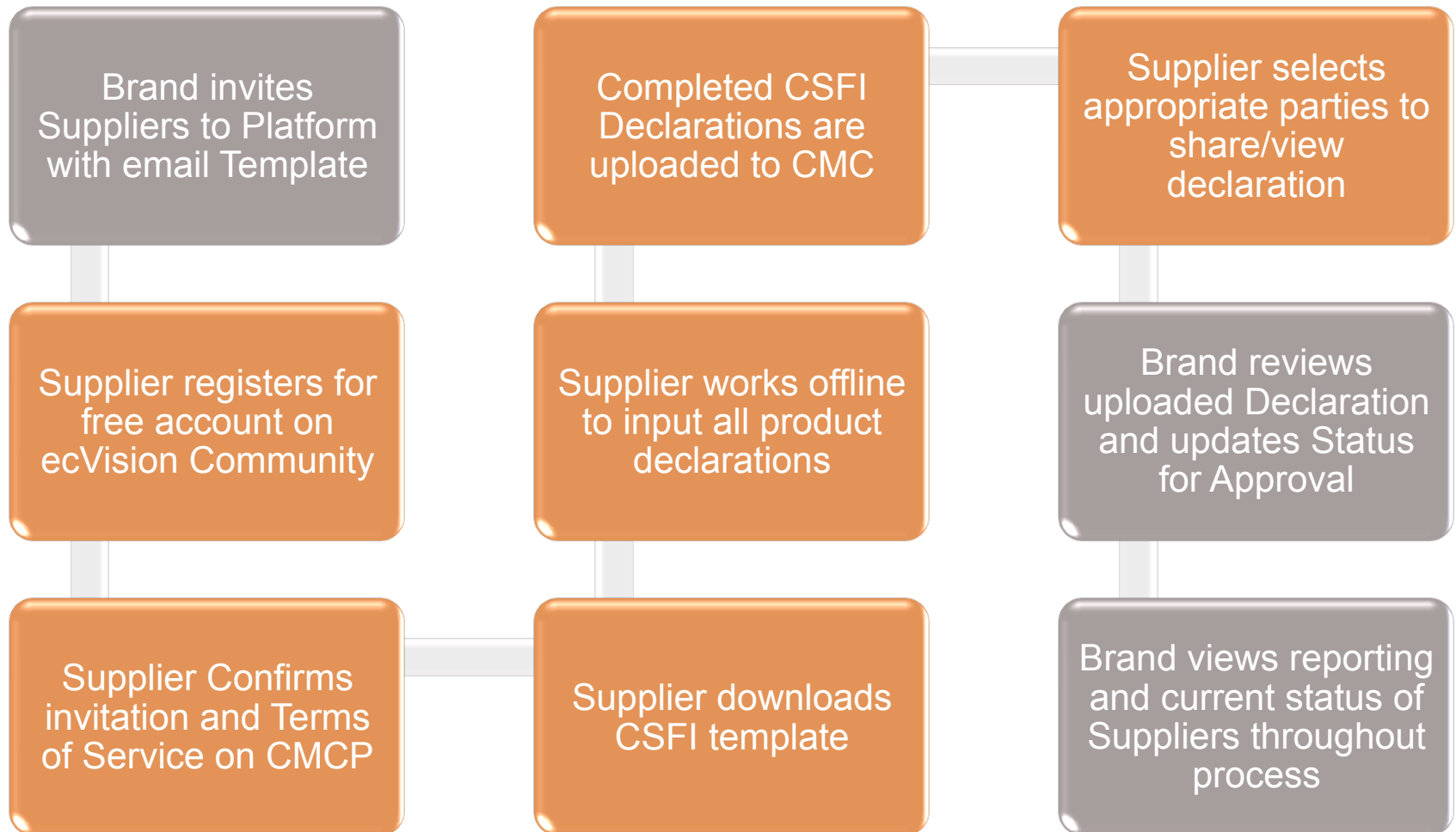
Complex Flow Chart



ecVision® Community™



CMC Workflow





Supplier On-Boarding

Supplier On-Boarding

For suppliers that do not already have an ecVision Community profile:

- A supplier will receive an invitation from the Brand (or multiple Brands) to join ecVision Community and also the Conflict Minerals App.
- Once they click the link in the invitation, they will
 - Agree to the Terms of Service regarding the storage of their company information.

To complete the Template submission, you are required to access to ecVision Community to complete Application

Registration process (<http://devportal.ecvision.com/community/member/register/app/cmct/f9aa9477-5a6b-4ce1-91a3-b05055982ea1>).

If you are not a member of ecVision Community, you are required to:

- SETUP YOUR ACCOUNT IN ecVision Community
- CONFIRM TO USE CONFLICT MINERALS COMPLIANCE TOOL

Register to use

CONFLICT MINERALS COMPLIANCE PLATFORM

First Name

Last Name

Company Name

testaccount@mysocialpress.com

Choose a Password

Confirm password

Password Security Level

Clear

Register

Supplier On-Boarding

- The User will confirm their User Registration

Dear: Georgia LIU

Thank you for registering and joining ecVision Community. We know you are eager to get started but first please follow the link below to verify your e-mail address. It should only take a few moments. After you have verified your e-mail address, you will have access to all of the people, news, updates and content that will connect you to the industry and what's happening now.

[Verify my email](#)

Thanks again for joining ecVision Community!
Sincerely,
ecVision Community

New Supplier On-Boarding

- A Company Profile will also be completed.

YOU HAVE NOT COMPLETED YOUR COMPANY PROFILE.

You have not completed your company profile. Please access to the following link to complete your company profile before completing the registration of the application Conflict Mineral Compliance Tool

[Complete Company Profile](#)

[Back to ecVision Community](#)

COMPLETE COMPANY PROFILE

Please complete your company profile. You can either search your company or add your company in case you cannot find your company in the system.

Company Name	<input type="text" value="Find Company"/>
Company Admin Email	<input type="text" value="Input Company Admin Email"/>
Company Type	<input type="text" value="- Please select a value -"/>
<input type="checkbox"/> I verify that I am an employee of this	<input type="text" value="- Please select a value -"/> Brand Supplier

Supplier On-Boarding

- And confirmed.
- One individual is designated as the Administrator for each Company Profile.

The image shows two overlapping screenshots. On the left is an email from ecVision Community to Georgia LIU, with a 'Confirm your email' button highlighted in red. On the right is a screenshot of the 'EDIT VENDOR COMPANY' web form for 'ECVISION KNITTING LIMITED CORPORATION'. The form includes fields for Company Name, Company Description, Text format, Billing information, Country, Address 1, and Address 2.

Dear: Georgia LIU

Please click the following link to proceed to complete your email address and finish creating the ecVision Limited Corporation profile. After your confirmation, your company will be created. And you will be redirected to the company profile edit page.

[Confirm your email](#)

Thank you for using ecVision Community!
Sincerely,
ecVision Community

ecVision Community TOP NEWS INDUSTRY ISSUES RESOURCES EVENTS ALBUMS Georgia LIU

EDIT VENDOR COMPANY ECVISION KNITTING LIMITED CORPORATION

Company Name: ecVision Knitting Limited Corporation

Company Description (Edit summary):

Text format: Basic

Allowed HTML tags: <a> <code> <div> <div> <div>
 <p>
Web page addresses and e-mail addresses turn into links automatically.
Lines and paragraphs break automatically.

Billing information

Country: Heng Kong S.A.R., China

Address 1:

Address 2:

Supplier On-Boarding

- The Supplier will then confirm use of the CMC Application and they will be “linked” to each Brand that has invited them.

Dear: Georgia LIU

As you have completed your company profile, please remember to access the registration link (<http://devportal.ecvision.com/community/member/register/app/cmct/c3c7ae68-a931-4722-8d69-751c2c22b080/confirm/>) to complete your Conflict Mineral Compliance Tool Resgitation.

Thank you for using ecVision Community!

Sincererly,
ecVision Community

Review Supplier List & Status

Supplier List

App Center > Conflict Minerals Compliance > Invitation Management

Invitation Details

Invitation Status

Supplier	Application	E-mail	Invitation Status	Existing User?	Operations
Test Account Supplier Limited	Conflict Mineral Compliance Platform	testaccount@mysocialpress.com	Accepted	Yes	
Electronic Suppliers Global Ltd.	Conflict Mineral Compliance Platform	ElectronicsSupplier@mysocialpress.com	Accepted	Yes	
Golden Raw Material Supplier Ltd.	Conflict Mineral Compliance Platform	goldensupplier@ckpoon.com	Accepted	Yes	

- Any - ▼
- Any -
- Accepted
- Withdrew
- Expired
- Pending



Conflict Minerals Compliance Operations

Suppliers Access Template

- The most current CFSI standard reporting template is housed in the App
- Suppliers can download the form and work offline to make their declarations.
- Declarations can be made at the “Company” or “Product” level.

The screenshot displays the Microsoft Excel interface for the Conflict Minerals Reporting Template (CMRT). The title bar indicates the file is 'CFSI_CMRT3-01 (2) [Compatibility Mode] - Microsoft Excel'. The ribbon includes 'File', 'Home', 'Insert', 'Page Layout', 'Formulas', 'Data', 'Review', 'View', and 'Acrobat'. The 'Home' ribbon is active, showing options for font (Cambria, size 12), alignment, and number formatting. The spreadsheet area contains the following content:

Conflict Minerals Reporting Template (CMRT)

English

Select Language Preference Here:
请选择报告的语言:
从菜单 或 设置 中选择语言:
表示需要更新了, 从以下选项上, 请点击!
Sélectionner la langue préférée ici:
Seleccione Preferencia de idioma Aquí:
Wählen sie hier die Sprache:
Selezionare el language de preferencia aquí:
Selezionare la lingua di preferenza qui:

The purpose of this document is to collect sourcing information on tin, tantalum, tungsten and gold used in products

Mandatory fields are noted with an asterisk (*). The information collected in this template should be updated annually. Any changes within the annual cycle should be provided to your customers

Company Information

Company Name (*):	
Declaration Scope or Class (*):	
Description of Scope:	
Company Unique ID:	
Company Unique ID Authority:	
Address:	
Contact Name (*):	
Email - Contact (*):	

Revision 3
May 30, 2012

Link to Terms & Conditions

Supplier Uploads Report and Shares with Brand or Multiple Brands

Dashboard

All CM Reports

Upload and Submit

Download CFSI Templates v3.01

Analytic Reports

Report Submission List

Product List

Disclaimer

Terms & Conditions

Upload Report




App Center > Conflict Minerals Compliance > Upload

On Behalf of Golden Raw Material Supplier Ltd. ▾

Share to Apparel Luxury Global Ltd. ✕ Best Global Brand ✕

Title

Body

B **I**    Size ▾

Report

Browse... No file selected.

Files must be less than 40 MB.
Allowed file types: xls xlsx.

Save

Brands can View Report Progress

Dashboard

All CM Reports

Upload and Submit

Download CFSI Templates v3.01

Analytic Reports

Report Submission List

Product List

Disclaimer

Terms & Conditions

Reports List

App Center > Conflict Minerals Compliance > Reports List

24 Submitted

0 Cancelled

3 To be approved

0 Invalid Report

1 Acknowledged

3 Accepted

0 Rejected

Sort by Date created Desc

<p>Conflict Minerals Report #2013Seasonal Free User Specific Created: Sep 30 2014 by: Golden Raw Material Supplier Ltd. Shared to: Apparel Luxury Global Ltd.</p>	<div style="border: 1px solid #ccc; padding: 5px; display: inline-block;">● To be approved</div>	Cancel
<p>Conflict Minerals Report #2013Seasonal Free User Specific Created: Sep 30 2014 by: Golden Raw Material Supplier Ltd. Shared to: Best Global Brand</p>	<div style="border: 1px solid #ccc; padding: 5px; display: inline-block;">● Accepted</div>	
<p>Conflict Minerals Report #2013Seasonal Free Product Created: Sep 30 2014 by: Golden Raw Material Supplier Ltd. Shared to: Apparel Luxury Global Ltd.</p>	<div style="border: 1px solid #ccc; padding: 5px; display: inline-block;">● To be approved</div>	Cancel
<p>Conflict Minerals Report #2013Seasonal Free Product Created: Sep 30 2014 by: Golden Raw Material Supplier Ltd. Shared to: Best Global Brand</p>	<div style="border: 1px solid #ccc; padding: 5px; display: inline-block;">● Accepted</div>	
<p>Submission 20140920</p>		Cancel

Pending

Acknowledged

Accepted/Rejected

Created: Aug 29 2014

● Accepted

Details of Workflow

Filter Label	Description	Visible to Brand	Visible to Supplier
Submitted	The report has been uploaded, waiting for being processed.	√	
Processing	Waiting for a cron job which creates records in our system		√
Invalid Report	The status of the submission contains 'user error'.		√
To be approved	System checking API returned the valid signal.	√	√
Acknowledged	The Brand acknowledges the Supplier's Retrieval of Submission (Optional)	√	√
Accepted	The report has been accepted by the Brand.	√	√
Rejected	The report has been rejected by the Brand.	√	√
Cancelled	The report has been cancelled by the Brand or the Supplier.	√	√



Analytical Status Reports

Main Dashboard-Brand

Dashboard

All CM Reports

Upload and Submit

Download CFSI
Templates v3.01

Supplier List

Invite Your Supplier

Batch Invite

Request for Action

Analytic
Reports

Report Submission
List

Product List

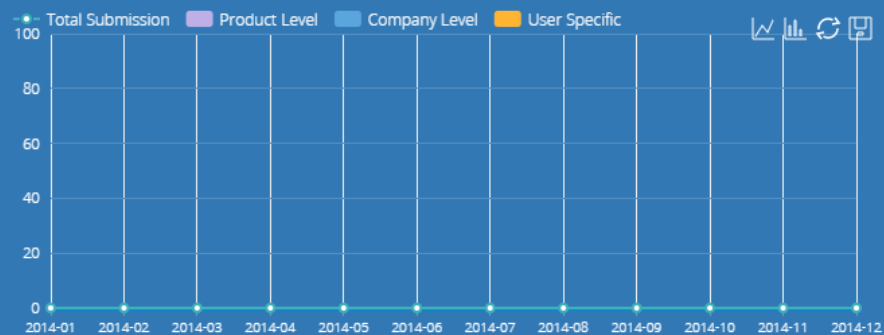
Disclaimer

Terms & Conditions

Dashboard

App Center > Conflict Minerals Compliance

Declaration Scope by effective date



Product Level

0

Company Level

0

User Defined

0



CMT
Reports

Document Status

61
Pending
Reviews

Submission



Acknowledged 11
Accepted 13



121
Report Uploads
The latest Information
of the Industry
Standards



0
Invitations



0
Company

Main Dashboard-Supplier

Dashboard

All CM Reports

Upload and Submit

Download CFSI
Templates v3.01

Analytic
Reports

Report Submission
List

Product List

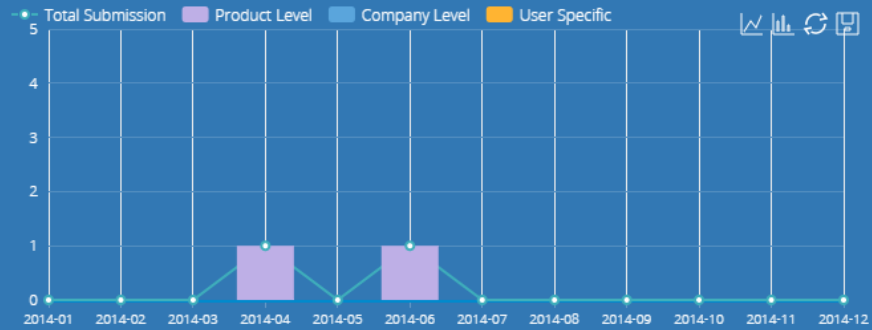
Disclaimer

Terms & Conditions

Dashboard

App Center > Conflict Minerals Compliance

Declaration Scope by effective date



Product Level

2

Company Level

0

User Defined

0



CMT
Reports

Document Status

61
Pending
Reviews

Submission



Acknowledged
Accepted

11
13

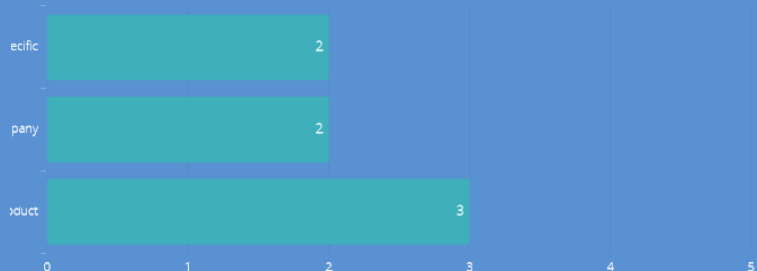


121
Report Uploads
The latest Information
of the Industry
Standards

Declaration Status Reports

My Suppliers' Overall Submissions - Declaration Scope or Class

Showing the Number of Submission of all suppliers within the brand and classify them into declaration scope/class



Home > App Center > Conflict Minerals Compliance > Report Submission List

Search:

Brand Company ID	Supplier Name	Declaration Scope	Description of Scope	Effective Date	Conflict Status
951	Conflict Free Supplier 5003	User Specific	Conflict Free throughout production process	2014-09-03	Conflict Free
902	Conflict Free Supplier 5003	User Specific	Conflict Free throughout production process	2014-09-03	Conflict Free
951	Supplier 777	Product Level		2014-06-30	Conflict Free
902	Supplier 777	Product Level		2014-06-30	Conflict Free

Dashboard

All CM Reports

Upload and Submit

Download CFSI Templates v3.01

Analytic Reports

Report Submission List

Product List

Disclaimer

Terms & Conditions

Product List

Home > App Center > Conflict Minerals Compliance > Product List

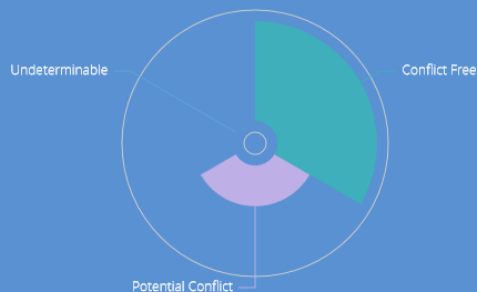
Search:

Supplier Company ID	Product No	Product Name	Product Comment	Effective Date	Conflict Status	Submission No
947	Free-AAA		Test Comments	2014-06-30	Conflict Free	963
947	Free-AAA		Test Comments	2014-06-30	Conflict Free	962
947	Free-BBB			2014-06-30	Conflict Free	962
947	Free-BBB			2014-06-30	Conflict Free	963
947	TTL-610	Conflict with Tantalum 610		2014-01-01	Potential Conflict	948
947	TTL-620	Conflict with Tantalum 620		2014-01-01	Potential Conflict	948

DRC Conflict Free Submissions

Showing the Number of Submissions of one or more for brands/suppliers

Conflict Free Potential Conflict Undeterminable



Summary of Conflict Minerals Compliance Operations

Suppliers

- Build a Company Profile on ecVision Community
- Download and complete CFSI template
- Upload and share to brand(s)
- Receive notice of acknowledgement (approval or rejection)

Summary of Conflict Minerals Compliance Operations

Brand

- Invite unlimited number of suppliers
- Request completion of CFSI Template Form
- Review suppliers' submissions
- Request suppliers for additional actions

EU Voluntary Proposal

- Government considered the burden and cost to business first
- Scope of source country loosely defined
- Following OECD guidance closely
- Traceability still a major concern
- Optional compliance

"Conflict-affected and high-risk areas are identified by the presence of armed conflict, widespread violence or other risks of harm to people. Armed conflict may take a variety of forms, such as a conflict of international or non-international character, which may involve two or more states, or may consist of wars of liberation, or insurgencies, civil wars ...

High-risk areas may include areas of political instability or repression, institutional weakness, insecurity, collapse of civil infrastructure and widespread violence.

Such areas are often characterised by widespread human rights abuses and violations of national or international law."

Not really optional...

- Many companies are already bowing to the pressure from NGOs, customers or just complying with the Dodd Frank Act.
- Companies' actions are largely driven by the bottom line: if the cost of compliance is less than the lost business and reputational damage that comes with non-compliance, organizations will choose compliance.



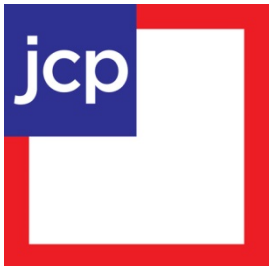
2014 Reports

J. CREW

Acknowledged they or their suppliers may have obtained metals from mines in a region known to use mining to fund armed militias.

Stated they haven't figured out if their products are in the clear.

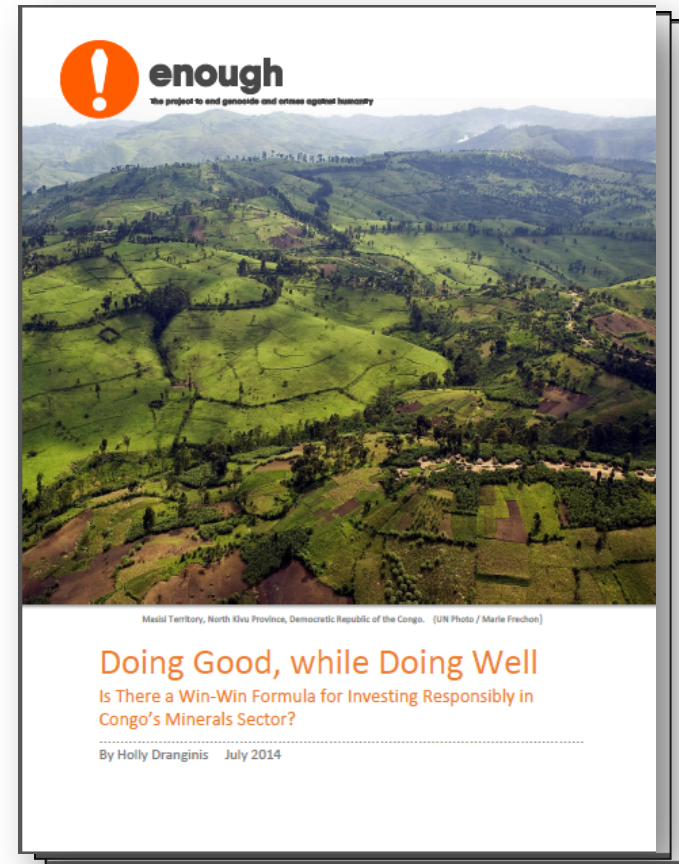
The
WALT DISNEY
Company



Listed an array of goods that have components difficult to trace.

Is it effective?

- Spotlight on the role of the minerals in everyday goods
- Impact on the ground
- Less economically viable to fund armed groups from minerals



Contact Information

Reach_Us@ecvision.com

