

**Preparing to Undertake a Product Rework Project** 

## NOTEWORTHY QUOTES IN SPORTS & BUSINESS

"You miss 100% of the shots you don't take." – Wayne Gretzky, Hockey Hall of Famer

"Finding something frustrating and seeing an opportunity to make it better is what entrepreneurship is all about." – Richard Branson, Founder of the Virgin Group

### **SORTA NOTEWORTHY QUOTE**

"It is not a matter of if you will ever be faced with a product rework need, it's a matter of when." – Randy Burk, Executive Vice President for Quality Corrections & Inspections



#### **DISRUPTIONS HAPPEN!**

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# A normal supply chain? It's 'unlikely' in 2022.

For those who keep tabs on the global supply chain, the very concept of a return to normalcy has given way to a begrudging acceptance that a new normal may be unfolding.

# The ship that blocked the Suez Canal may be free, but experts warn the supply chain impact could last months



Why the Pandemic Has Disrupted Supply Chains



# Supply chain disruption 'causes quality to drop by 9%'

posted by Lucy Patchett in Risk, Supply chain

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A single supply chain disruption can cause an average 9% drop in the "culture of quality", according to Gartner.

# What's causing America's massive supply-chain disruptions?

Untangling supply chain woes could take much longer, experts say.

ECONOMY

# Supply chain chaos is already hitting global growth. And it's about to get worse

Delayed Christmas gifts are just the beginning. The supply chain crisis isn't going away soon.

How corporations organize global production is becoming increasingly unsustainable.

# **About Quality Corrections & Inspections**

Quality Corrections & Inspections (QCI) has a 35+ year legacy of delivering superior product rework results for companies around the world.

#### **Experience Counts**

QCI is a well-established supply chain services partner that works exclusively on product inspection and rework projects, led by creative problem solvers.

### **Quick Response/Turn Around**

<u>Two well-equipped U.S. production facilities</u> to service inventories nationwide for quick turnaround of reworked goods. <u>We process thousands of units daily for customers</u>.

#### **Customized Solutions**

QCI develops a strategic approach to every project.

### **Footwear Rework Services**

### **THE Footwear Repair Experts**

From boots to slippers, heels to sneakers, we can repair or correct almost any issue!

Mold, Mildew and Odor Remediation
Delamination Issues - Soles/Insoles
High Volume Inspection/Sortation/Grading
Footwear Finishing and Color Corrections
Hardware Replacement and Repair (eg. eyelets, buckles)
Repackaging, Labeling, Ticketing, Tagging
Stitching/Sewn Corrections
Spot Cleaning, Cosmetic Issues

# Setting up for a Successful Project

Reworks arise as a result of either opportunities or challenges. Every project is a "special project".

### Tip #1 – Engage QCI Before You Need QCI.

- Learn more about our expertise, resources, process, and production facilities.
- Arrange to have us set up in your vendor systems in advance of ever needing to do a project.

Benefits: Ability to move quickly in seeking project approvals, pre-vetted vendor in place, facilitates quicker processing of a project when need arises.

# Today's Preparation, Tomorrow's Success!

### Tip #2 – Project Research & Analysis

Questions to know or consider for most product reworks:

- What is the estimated quantity of inventory required to be reworked?
- Where is the inventory located at this time (eg. in DC's, in retail stores, on the water)?
- What specific issues or work is required for the project?
- Have you already determined the preferred rework operations procedure for the project?
- How soon does the project need to be completed?
- Will any product testing be required as part of the rework project and how much time should be factored in to obtain results?
- Depending upon the project's characteristics, certain supplies, materials, or components may need to be obtained and factored into production timelines. Determine or ask yourself, will any special equipment, custom tooling, or dies be required for the project?
- Are any special replacement parts or components required? Are they on hand or do they need to be sourced and, how much time will it take to obtain such parts or components?

# Today's Preparation, Tomorrow's Success!

### Tip #2 – Project Research & Analysis (Continued)

Questions to know or consider for most product reworks:

- Is there any new or specialized packaging required for the project? For example, does any replacement packaging need to be obtained and provided (eg. customized polybags, tissue, or labels with company logos)?
- Are there any special ticketing or tagging changes required for the project?
- Does the inventory need to meet any special vendor compliance requirements post rework such as unique pallet configuration standards or carton labeling when goods are returned?
- Who will be responsible for the cost of the rework?
- Where is the inventory located, where will the inventory be returned after rework, and how can you best optimize the logistics of moving goods to/from the rework center?

Additional thoughts to consider for future: Does it make sense to have supplies readily on hand stateside for possibility of future rework needs? Examples might include: custom polybags, logo tissue, specially marked boxes, UPC stickers, and hangtags to name a few. This could potentially expedite processing a rework rather than risk delays waiting for these types of supplies to arrive from overseas.

## Setting up for a Successful Project

### Tip #3 – Get FREE Project Analysis from QCI

Prepare to provide representative samples of the affected product to the QCI team.

QCI will then do the following:

- Examine the goods and potential handling required.
- Process samples for the customer's inspection and approval.
- Provide a scope of work analysis for the project, pricing estimate, and production turn-around time.

QCI offers this free, no-obligation project analysis anytime a product rework is being considered.

Benefits: Allows QCI to accurately determine the most appropriate, cost-effective price...AND allows customer to closely examine quality and workmanship of processed samples before moving forward with project implementation.

### Setting up for a Successful Project

#### **Tip #4 – Recognize Benefits of Product Rework**

Product rework is a useful tool for retail supply chain execution. The services that QCI provides are at the intersection of where problems can meet opportunities.

- Opportunity to turn potentially problematic goods into profitable merchandise <u>AND</u> preserve your brand integrity.
- Meet merchandise availability needs minimize stock-outs.
- Outsourcing special rework projects allows you to focus your company's internal resources and energy on other high-value business functions (sales, fulfillment, operational efficiency).
- Avoids tying up valuable space in fulfillment or distribution centers with "dead inventory".
- Product rework can be a sustainable solution, playing a role in extending product life circularity (More recovery = Less landfill).

Benefits: Ability to better inform internal departments how such services can meet your quality, performance, and sustainability objectives.

# You're Prepared, Now What?

### **Project Implementation**

- A project scope of work and project services agreement is approved.
- Project mobilization begins with the QCI project manager and customer's project manager. Necessary supplies, materials, tooling, work instructions, and production dates are secured or confirmed to execute the job.
- Logistics managers coordinate goods delivery to/from QCI production facilities.
- QCI teams oversee project to exact customer specifications and finished goods are audited by internal quality inspectors to validate accuracy and consistency.
- At project completion, any necessary data and formalized reporting (where required) is provided to customer and return shipment to customer occurs.

# Common Project Types

#### Common Footwear Reworks Encountered by QCI

Weak adhesive bonds/delamination — Sole bonding is a common reason for shoe failure. Blooming issues — Often observed as a white hazy deposit or coating that may occur typically on rubbers or leathers.

**Spot cleaning** – Excess glues, waxes, oils, or threads, as well as abrasion marks, can impact product appearance and are often corrected through spot clean reworks. **Yellowing** – Materials such as soft plastics and rubbers may be subject to developing a yellow cast on a finished product typically due to oxidation. Footwear that has been stored over long periods of time in warmer climates or long term in a warehouse improperly can be at risk of yellowing.

**Mold, odor, mildew remediation** – Moisture and humidity conditions during production and/or while goods are in transit can often lead to mold, odor, or mildew issues.

**Hardware or component replacements and repairs** – Production processing mistakes, poor-quality components, corrosion, and product safety or hazard issues can result in needs to do replacements or repairs.

**Label corrections** – Incorrect labeling for product information such as sizing or federally required information are common corrections.

#### QCI knows shoes!



Crocking and color bleed corrections – Typically occurs when dyes (or colors) have rubbed off onto other product materials. Causes can vary widely.

Refinishing of uppers – Substandard finishes and incorrect shades that do not meet production samples or product appearance standards will often require refinishing work.

**Sole/Insole replacements and repairs** – Mis-sizing, improper fit, poor adhesion, careless product handling, and other concerns can often result in needs for repairs and replacements.

**Asymmetry issues** – Shoe parts, components, colors, logos, and other features should properly align or match when examined side-by-side. QCI has been regularly engaged to help companies inspect, sort, and/or correct shoes with asymmetry issues.

### **Contact Us**

Prepare for Success, Start Today!

Get to know QCI, set up an introductory meeting today.

Establish QCI as a vendor internally to minimize future project delays.

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