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COMPANY OVERVIEW

Company Overview

VDM is an Asia based design and procurement specialist in branded Cosmetic, Health and Beauty products. We are moving at the request of our global clients to being a product led marketing agency.

- Our mission is to fill in the gap between supplier and clients.
- Our Beauty team is an ever-growing part of our product portfolio.
- Our business provides total supply chain management service for customers across the globe.
- Our team focus on closing the gaps between our clients and supplier. Emphasis on design, compliance, manufacturing, quality control and logistic.
- · We are a privately owned company with no debt.



Core Categories

- Extensive range of Cosmetic, Health & Beauty Product
- Expanding Asian Network of Supplier
- Expanding Clients worldwide









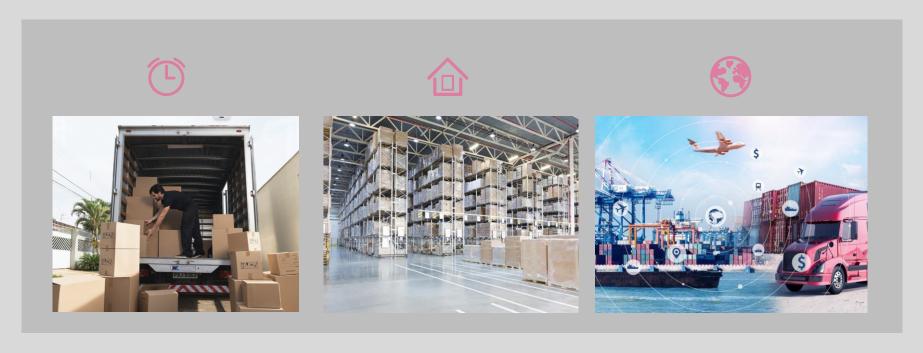






Logistics

VDM's staffs are highly experienced and have managed shipments across Asia, Americas, Africa, Middle East and Europe for over 10 years. We have the ability to provide total global logistic solutions all brands.





Our Structure

Unlike traditional trading company, VDM don't work in a hierarchy structure. We work with a horizontal structure to support our Business Development and Operation department.

The advantage of this structure is to have a much quicker respond rate and reduce communication lack. Instead of working with line managers, our Business Development and Operation team are able to work with small team that everyone has a details on the project.

We have only one common goal, to serve the customer







OUR CREATIVE PROCESS

The Creative Process

What makes us fun and unique is our process and resources.

This includes:









Our creative center houses an experienced team of creative professionals offering art direction, idea conception, product development, innovation and trend forecasting.

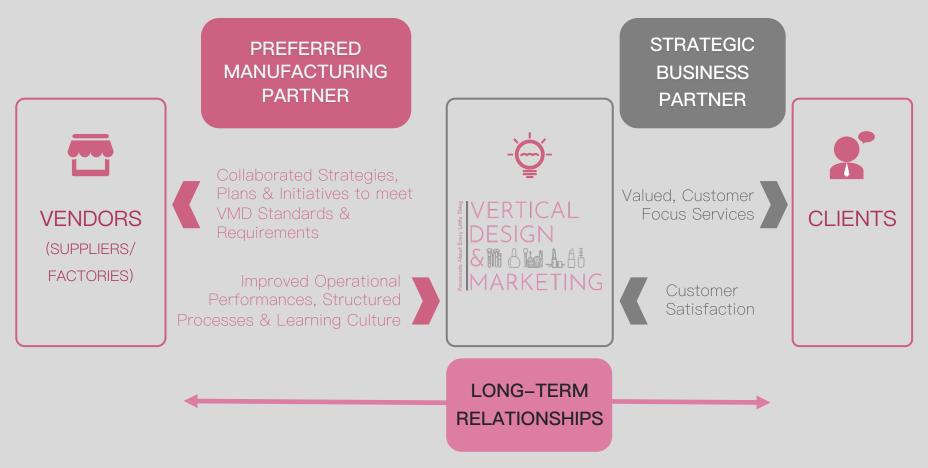
Producing communication that meet clients' budgets, objectives, preferences and styles.





COMPLIANCE AND CORPORATE SOCIAL RESPONSIBILITY

Modeling of VDM Quality Operating System





Total Quality Management Model

VENDOR COMPLIANCE MANAGEMENT

TECHNICAL AUDIT + SOCIAL COMPLIANCE AUDIT + CAPACITY VALIDATION

PRODUCT SOURCING PRODUCT SELECTION

PRODUCT QUALITY ENGINEERING

PRE-PURCHASE PRODUCT TESTING
AT ACCREDITED LABORATORIES PER
VDM TESTING PROTOCOL

PRODUCT FINALIZATION PRODUCT APPROVAL FOR ORDER PLACEMENT



CUSTOMER QUALITY MANAGEMENT

VOICE OF CUSTOMER ANALYSIS + CYCLES OF LEARNING DATABASE









CUSTOMER RECEIPT



MANUFACTURING

OUTGOING QUALITY CONTROL

FINAL INSPECTION PER VDM
INSPECTION PROTOCOL

PROCESS QUALITY CONTROL

ON-SITE CHECKING + IN-LINE INSPECTION PER VDM INSPECTION PROTOCOL

<u>VENDOR QUALITY ENGINEERING</u>

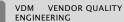
QUALITY IMPROVEMENT SYSTEM + QUARTERLY FACTORY QUALITY EXCELLENCE REVIEW





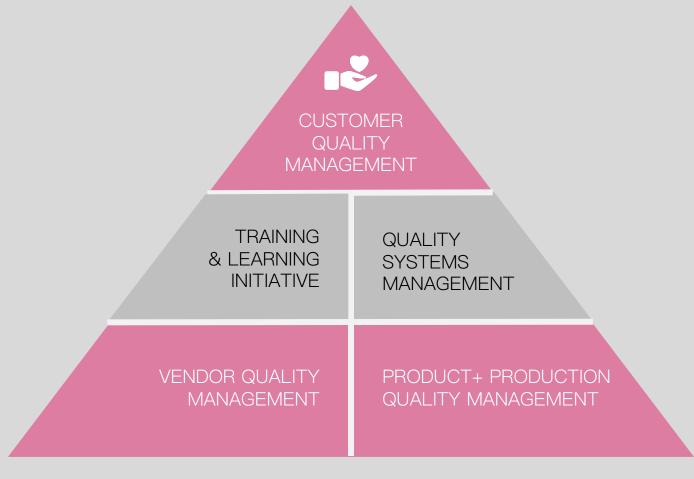








Building Blocks Of Total Quality Management





Quality Assurance

- We employ a stringent pre-qualification process to ensure all manufacturing partners meet and adhere to VDM's Code of Conduct and Customers COC where applicable.
- VDM is committed to working with manufacturing partners that recognize the importance of strong ethical practices in the workplace.
- We have qualified audit inspectors who monitor the standards of all our partners to ensure the highest ethical standards.
- VDM's Code of Conduct covers all key areas including working hours, wages, health & safety, and working environment.
- In-line and final production inspections on all orders. Independent safety testing on all products.



Product & Production Quality Management

- Products are inspected in accordance with AQL Single Sampling,
- Normal Inspection, Level II.

- Critical: 0

- Major: 2.5

- Minor: 4.0

- Product Inspections are conducted in accordance with VDM Product Inspection.
- Protocols and client-approved Pre-Production Samples (PPS).
- Product Inspections consist of In-Line Inspection(s) and Final Inspection(s) and they are conducted on every order by VDM inspection specialist(s).

SAMPLE SIZE CODE LETTERS													
	General	Inspectio	n Levels	Special Inspection Levels									
Lot Size	- 1	II	III	S1	S2	S3	S4						
2 to 8	A	A	B	A	A	A	A						
9 to 15	A	B	C	A	A	A	A						
16 to 25	B	C	D	A	A	B	B						
26 to 50	C	D	E	A	B	B	C						
51 to 90	C	E	F	B	B	C	C						
91 to 150	D	F	G	B	B	C	D						
151 to 280 281 to 500 501 to 1200	E F G	G H J	H J K	B B C	C C	D D E	E E F						
1201 to 3200	H	K	L	CCC	D	E	G						
3201 to 10000	J	L	M		D	F	G						
10001 to 35000	K	M	N		D	F	H						
35001 to 150000	L	N	P	D	E	G	J						
150001 to 500000	M	P	Q	D	E	G	J						
500001 and over	N	Q	R	D	E	H	K						

ANSI/ASQ Standard Z1.4 - 2008

SINGLE SAMPLING PLANS FOR NORMAL INSPECTION																								
Sample Size		Acceptable Quality Levels (Normal Inspection)																						
Code			0.065		0.10		0.15		0.25		0.40		0.65		1.0		1.5		2.5		4.0		6.5	
Letter		Ac	Re	Ac	Re	Ac	Re	Ac	Re	Ac	Re	Ac	Re	Ac	Re	Ac	Re	Ac	Re	Ac	Re	Ac	Re	
Α	2																			١,	ļ	0	. 1	
В	3																	,		0	1	1	ì	
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	20									١,	,	0	1	_ ^	1	,	↓	1	2	2	3	3	4	
G	32							١,	Ļ	0	1	1	1	,	,	1	2	2	3	3	4	5	6	
H	50					١,	Į.	0	1	1	1	١,	Į.	1	2	2	3	3	4	5	6	7	8	
J	80			١,	,	0	1	,	1	١,	,	1	2	2	3	3	4	5	6	7	8	10	11	
K	125	١,	,	0	1	-	1	,	·	1	2	2	3	3	4	5	6	7	8	10	11	14	15	
L	200	0	1	1	1	١,	Į.	1	2	2	3	3	4	5	6	7	8	10	11	14	15	21	.22	
M	315	1	1	١,	,	1	2	2	3	3	4	5	6	7	8	10	11	14	15	21	22	1	1	
N	500	,	,	1	2	2	3	3	4	5	6	7	8	10	11	14	15	21	.22	,	1			
Р	800	1	2	2	3	3	4	5	6	7	8	10	11	14	15	21	.22	_ ′						
Q	1250	2	3	3	4	5	6	7	8	10	11	14	15	21	22	1	1							
R	2000	3	4	5	6	7	8	10	11	14	15	21	22	-	1									

- Use first sampling plan above arrow, if sample size equals or exceeds lot or batch size, do 100 percent inspection.
- ↓ Use first sampling plan below arrow
 AC : Acceptance number Re : Rejection number



Quality Improvement Management

- Corrective Action Plan (CAP) is applicable to all natures of Non-Conformances and
 Non-Compliances (NC) factory audits, testing, inspections & reported customer situations.
- CAP is close by corrective & permanent actions.
- Root Cause Analysis is conducted using corrective action plan.







- CAP Tracking Log is created to capture all QA/QC follow up actions & activities.
- The CAP Tracking Log is then developed into a Cycles of Learning (COL) Database.
- Quality Improvement Program(s) is being administer by VDM Customer Quality Engineering specialist(s).



SUSTAINABILITY AND CLEAN BEAUTY

Sustainability

- VDM is dedicated to reduce plastic for a better planet.
- An increasing sustainability programme encouraging our partner factories and material
 vendors in the development and use of eco materials such as sustainable material and paper
 from Forest Stewardship Council (FSC).
- Our supplier are all familiar with program such as Global Recycled Standard, Recycled Claim Standard on fabric and plastic.
- Upon request, we can produce only through accredited sources.
- VDM is committed to the Implementation of CSR programme with the aim of becoming carbon neutral.











Clean Beauty

- Clean Beauty is defined by products that are mindfully created and produced without any
 proven or suspected toxic ingredients. Clean Beauty product include ingredients ethically
 sourced and are made with health of our bodies and the environment in mind.
- VDM has team up with some of our supplier (including ongoing discussion with Environmental Working Group, EWG) to make sure we can meet all Clean Beauty requirements.
- Upon request, we can work with our clients and supplier to meet all Clean Beauty









OUR PROCESS & WHY VDM

Our Process

We believe it is key to understand and align the main business objectives to ensure full engagement from the relevant stakeholders, brand Manager etc.







As a team we will:

- Evaluate current category spend.
- Identify frequent purchasing patterns.
- Less is more; targeted range of core products.
- Define branding application.
- Engagement with Key stakeholders or brand manager at start of the project.
- Create a project team, ideally should include representation from customer /trade marketing and procurement.





As a team we also will:

- Discuss product requirements by market collate and review findings on preferred items.
- Ensure the range is aligned with core marketing strategy for the region — taking into consideration with local / regional campaigns.
- Create bronze/silver/gold seal samples of the agreed range of items.
- Agree branding, quality and suggested price points.
- Produce approval samples.
- Key stakeholders to approve products and pricing prior to execution.





Why VDM?

Marketing Expertise

• VDM is so much more than a procurement company. We understand the market so well that our information will impact your brand.





Compliance / Risk Management

- Conduct factory audits no child / prison labor.
- Conduct capacity audits identify subcontracting.
- Inline and final inspection on all orders.

Logistic Capability

Able to ship anywhere in the world and have done so.

Innovation

- Attendance at all major trade fairs.
- In-house creative work with factory engineering department.
- Addition of VDM creative resource to supplier roster.





Account Management

- Closing the gap.
- Finding a balance between supplier and the clients
- Experience with full-service procurement implementation.

Sourcing Strength

- Right to the source, we eliminate all trader in between.
- Able to locate raw material supplier to understand the complexity of the product

Cost Saving

- Proven success in delivering yearly cost saving.
- Long term relationship with factory direct to obtain optimal price.









MORE INFORMATION, LET US KNOW



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