

The Mattel logo is a red circular emblem with a scalloped edge, containing the word "MATTEL" in white, bold, sans-serif capital letters. A registered trademark symbol (®) is located to the right of the logo.

MATTEL

# Mattel Global Auditing System (MGAS)

Presented by:

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Mattel, Inc.

Manager, Global Sustainability

*The World's Premier Toy Brands-*



*Today & Tomorrow*

# Discussion Points

- About Mattel
- Evolution of Our Audits
- Evolution of Our Systems
- Mattel Global Auditing System
- Other Tools

# About Mattel

- Headquartered in El Segundo, California
- Approximately 25,000 employees in 36 countries
- 2003 revenues: \$4.8 billion
- Worldwide leader in the design, manufacture and marketing of toys and family products



MATTEL®

# Mattel's Products





# Where our products are made

1. Owned and Operated Facilities (50%)
  - China (3)
  - Indonesia (2)
  - Malaysia (1)
  - Thailand (1)
  - Mexico (2)
2. Vendor Locations (50%)
  - China
  - Eastern Europe



The Mattel logo, featuring the word "MATTEL" in white capital letters inside a red, jagged-edged circular shape.

# First we did EHS Audits . .

Prior to 1999, our main auditing responsibility was **Environmental Health and Safety (EHS)** at **our** manufacturing and distribution locations.



... and then ...



- We were given responsibility for Mattel's GMP program.
- Scope broadened to **EHS and Corporate Social Responsibility (CSR)**
- Expanded our focus to Vendor and Licensee facilities

**GMP** stands for **Global Manufacturing Principles**



... and now we do GMP audits.

- We have fully integrated the two areas (EHS + CSR)
  - Combined standards
  - Combined audits
  - Became a hybrid department
- Categorized facilities by Tiers
  - Tier I – owned and operated facilities
  - Tier II – vendor facilities
  - Tier III – licensee facilities
- Created a Checklist and Audit Approach for Each Tier



# Audits by Tier

<p><b>Tier I</b> Owned &amp; operated</p>	<p>Corporate and Consultants (internal and external auditors)</p>
<p><b>Tier II</b> Vendor facilities</p>	<p>Sourcing Groups (internal and external auditors)</p>
<p><b>Tier III</b> Licensee facilities</p>	<p>Managed by Corporate, but use Auditing Firms (external auditors)</p>

# As a result ...

- We dealt with new challenges
  - Became main source for facility information
  - Responsibility for more facilities meant more audits, but less influence and less technical expertise per facility
  - Had to become familiar with labor regulations
  - More interaction with other departments and external groups
  - More high profile
  
- Identified a need for a system that would help us manage large amounts of information and the complexity of our program.

# Evolution of Our Systems

- Word and Excel
- In-house Access Program (“Audit Tracking System”)
  - Improved tracking and sharing of data between groups
  - Created a more standard report format and way to track audits
  - Required installation on each computer
  - Not fully implemented across all groups



# Mattel Global Auditing System (MGAS)

- Mattel Global Auditing System
  - Web-based
  - Accessible by Mattel employees worldwide
  - Accessible by external users worldwide
    - Auditors
    - Vendors
    - Licensees



# “One Stop Shopping”

- Centralized data storage
- Facility, Vendor, and Licensee information
- Standardized workflows for scheduling, conducting, reporting on and tracking the audits
- Audit tools (checklists, past audit reports, etc.)
- Checklist management
- Reference information (EHS guide, forms, etc.)
- Reporting functionality

# MGAS Modules

- Home Page
- Profile Management
- Checklist
- Audit Scheduling
- Audit Process
- Reporting
- File Library
- Event Calendar



# Mattel Global Auditing System (MGAS)



## Sign in

Sign in to begin using MGAS

**Username:**

**Password:**

If you do not have an account, and you believe that you should, please [contact us](#).

## Mattel Global Audit System

**What is MGAS?**

The Mattel Global Auditing System (MGAS) is a secure, web-based portal tool that provides real-time access to information relating to Mattel's Global Manufacturing Principles (GMP) audits. The tool is used to manage the entire life-cycle of each facility audit, and provides each user with their own customized set of information.

To begin using this application, sign in by entering your Username and Password in the area to the left. If you do not have an account, and you believe that you should, please [contact us](#).

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# Mattel Global Auditing System (MGAS)

Welcome [Elizabeth Kihm](#) ([Sign out](#))

[Home](#)[Profile Management](#)[Checklist](#)[Audit Scheduling](#)[Audit Process](#)[Reporting](#)[File Library](#)[Event Calendar](#)[Items Requiring Action or Review](#)[Critical Review Items](#)[Upcoming Scheduled Audits](#)

Country <small>(sort)</small>	Profile Name <small>(sort)</small>	Task <small>(sort)</small>	Responsibility <small>(sort)</small>	Date <small>(sort)</small>	Days Overdue <small>(sort)</small>	Action
China	<a href="#">Facility 1</a>	Submit Corrective Action Plan (REAUDIT 2)	Licensee Y	Due: 14Apr2004	76	<a href="#">Complete Task</a>
China	<a href="#">Facility 2</a>	Submit Corrective Action Plan (INITIAL AUDIT)	Vendor Y	Due: 27Apr2004	63	<a href="#">Complete Task</a>
China	<a href="#">Facility 3</a>	Submit Corrective Action Plan (INITIAL AUDIT)	Licensee Z	Due: 27Apr2004	63	<a href="#">Complete Task</a>
China	<a href="#">Facility 4</a>	Submit Corrective Action Plan (INITIAL AUDIT)	Vendor X	Due: 27Apr2004	63	<a href="#">Complete Task</a>
China	<a href="#">Facility 5</a>	Submit Corrective Action Plan (INITIAL AUDIT)	Licensee X	Due: 27Apr2004	63	<a href="#">Complete Task</a>
China	<a href="#">Facility 6</a>	Assign a Lead Auditor to Audit (REAUDIT 1)	Auditor A	Submitted: 15Apr2004		<a href="#">Complete Task</a>
China	<a href="#">Facility 7</a>	Submit Corrective Action Plan (REAUDIT 1)	Licensee x	Due: 29Apr2004	61	<a href="#">Complete Task</a>
China	<a href="#">Facility 8</a>	QA Review and Clarification of Corrective Action Plan (INITIAL AUDIT)	Global Sustainability / Licensee K	Submitted: 16Apr2004		<a href="#">Complete Task</a>





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## FACILITY: Test Facility 1

[Profile Information](#)[Contacts](#)[Audits](#)[Documents](#)[Notes](#)**FACILITY Name** ([edit](#))

Test Facility 1

**FACILITY Aliases:****Alias Name, Alias Type**

No Aliases found

**Key Customers:**

No Key Customers found

**Address** ([edit](#) | [address history](#))

China

**Add a new Alias:****Alias Type:****Add a new Key Customer:****GPS Location****Current Watchlist Status** ([edit](#) | [watchlist history](#))

Not on Watchlist

**Primary MGAS User**

GS User

**Select to Change****LDAP Group Name**

FACILITY\_TestFacility1\_10010

<b>Facility Used By:</b> <small>(<a href="#">sort</a>)</small>	<b>Country:</b> <small>(<a href="#">sort</a>)</small>	<b>Contract #:</b> <small>(<a href="#">sort</a>)</small>	<b>Business Unit:</b>	<b>Relationship Status:</b>	<b>Product Categories:</b>	<b>Action</b> <small>(<a href="#">sort</a>)</small>
<a href="#">Licensee A</a>	USA	20041473	Licensing - Hardlines	Facility Valid as of 01Jan2004	Accessories-Hair Accessories , Accessories-Eyewear	<a href="#">edit</a>
<a href="#">Test Licensee</a>	USA	20041474	Licensing - Softlines	Facility Valid as of 01Jan2004	Accessories-Gloves/Mittens	<a href="#">edit</a>



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Profile Management

**Checklist**

Audit Scheduling

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## Checklist Details for "GMP Tier I"

[Back To Checklist Management Page](#)

### Checklist Description

GMP Tier I

### Last Updated

27May2004 04:30:13 PM

### View Checklist Details

- [View/Download](#) Checklist Questions for

Base Checklist Template

Current or  as of

### Edit Current Checklist

- [Edit Checklist](#)

### Track Checklist Changes

- [Track Changes](#)

- Base Checklist Template
- Argentina
- Australia
- Austria
- Bangladesh
- Belgium
- Bolivia
- Brazil
- Bulgaria
- Cambodia
- Canada



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## Audit Scheduling Prioritization for Checklist: "GMP Tier III", Checklist ID: 10002

- [Select Facilities for Scheduling](#)

- [Modify/View Prioritization Criteria](#)

- [Run Audit Prioritization](#)

Reload Static Data

## Overall Audit Scheduling Status

Viewing Tiers: Tier III

Task #	Task	Responsibility	Total Audits Awaiting this Task
1	Select Initial Audit Information	Mattel	<a href="#">0</a>
2	Notify Partner	Mattel	<a href="#">0</a>
3	Select Audit Firm and Manager	Mattel	<a href="#">1</a>
4	Assign a Lead Auditor to Audit	Audit Firm Manager	<a href="#">10</a>
5	Schedule Audit with Facility	Lead Auditor	<a href="#">2</a>
<b>Total audits currently in audit scheduling workflow</b>			<b>13</b>
<b>Total audits scheduled</b>		<a href="#">46</a>	

 Select Tier(s):  Tier I  Tier II  Tier III



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## Overall Audit Status

Select Tiers :  Tier I  Tier II  Tier III

Task #	Audit Task	Responsibility	Total Audits Awaiting this task
1	Download Audit Materials	Lead Auditor	<u>2</u>
2	Submit Findings	Lead Auditor	<u>1</u>
3	QA Review and Clarification of Findings	Mattel / Lead Auditor	<u>0</u>
4	Finalize Findings Report	Mattel	<u>0</u>
5	Distribute Findings Report	Mattel	<u>0</u>
6	Submit Corrective Action Plan	Partner	<u>18</u>
7	QA Review and Clarification of Corrective Action Plan	Mattel / Partner	<u>3</u>
8	Finalize Corrective Action Plan	Mattel	<u>0</u>
<b>Total audits currently in the audit process workflow</b>			<b>24</b>
Total audits completed			<u>23</u>



**File Library**

Document Name <a href="#">(sort)</a>	Description <a href="#">(sort)</a>	Package <a href="#">(sort)</a>	Mattel Access Only <a href="#">(sort)</a>	Size <a href="#">(sort)</a>	Posted Date <a href="#">(sort)</a>	Posted By <a href="#">(sort)</a>	Action
<a href="#">Partner MCR.doc</a>	MCR	MCR Package for Licensee	No	234KB	01Mar2004	mccorklk	<a href="#">edit</a>
<a href="#">Partner MCR.doc</a>	MCR	MCR Package for Vendor	No	234KB	01Mar2004	mccorklk	<a href="#">edit</a>
<a href="#">Partner Facility Declaration Letter.doc</a>	Facility Declaration Letter (FDL)	GMP Package for Licensee	No	181KB	01Mar2004	mccorklk	<a href="#">edit</a>
<a href="#">GMP-01_CR Policy.doc</a>	GMP Policy	GMP Package for Licensee	No	41KB	01Mar2004	mccorklk	<a href="#">edit</a>
<a href="#">GMP-01_CR Policy.doc</a>	GMP Policy	GMP Package for Vendor	No	41KB	01Mar2004	mccorklk	<a href="#">edit</a>
<a href="#">Partner Facility Declaration Letter.doc</a>	Facility Declaration Letter (FDL)	GMP Package for Vendor	No	181KB	01Mar2004	mccorklk	<a href="#">edit</a>
<a href="#">Licensee GMP Guide (Chinese Version)042004.doc</a>	Licensee GMP Guide (Chinese Version)	None	No	247KB	29Apr2004	leeralph	<a href="#">edit</a>
<a href="#">Licensee GMP Guide2004.pdf</a>	Licensee GMP Guide 4-29-04	GMP Package for Licensee	No	341KB	29Apr2004	mccorklk	<a href="#">edit</a>

**Add Document**

<b>Select File</b>	<b>File Description:</b>	<b>Select Package:</b>	<b>Mattel Only</b>
<input type="text"/> <input type="button" value="Browse..."/>	<input type="text"/>	<input type="text" value="None"/> ▾	<input type="text" value="YES"/> ▾
			<input type="button" value="Add Attachment"/>



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## Event Calendar

Sun , 13Jun2004 - Sat , 19Jun2004

View week of: 13Jun2004

Sun , 13Jun2004

Mon , 14Jun2004

audit of

Tue , 15Jun2004

Wed , 16Jun2004

Thu , 17Jun2004

Fri , 18Jun2004

[Submit Corrective Action Plan](#)

Sat , 19Jun2004

[Submit Findings](#)-

[<<previous week](#)

[next week>>](#)

# MGAS – general comments

- Evaluated other systems prior to starting
- Developed by an external firm
- Took approximately 1-1/2 years to develop
- Major success factor - Collaborative effort through every step of the process
- Getting on-going support from our internal IT
- Will be integrated with our global licensing system

# Other Tools

- Information is monitored regularly.
  - Regulatory update services
  - Audit Protocols
  - Newsletters
  - Websites
- Information is shared regularly with the team around the world.
  - Department Newsletter / article sharing
  - Summits (share best practices, learnings)
  - Conference calls
  - Training
  - Tracked measures

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