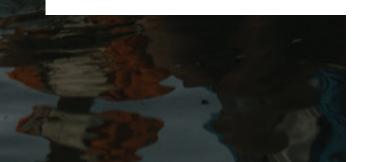


Norwegian Concept is working towards taking more of a partnership approach with their suppliers.

One element of this is more regular video calls instead of just emails, giving suppliers opportunities to share any challenges they are facing and then trying to be flexible to find joint solutions.



RESPONSIBLE PURCHASING PRACTICES CASE STUDY

NORWEGIAN CONCEPT

One Chinese supplier informed them that they had a lot of excess fabric from their products, so they worked together on development of a new product (a padded seat for hiking), to use up the material. Another issue raised by the supplier was that they had very few orders in low season and were struggling to have enough work to keep workers employed. Norwegian Concept chose a best-selling product they could order early, after working with the sales team to analyse what quantities would match their needs. Even though they had to store them in their warehouse, they saw the benefit of levelling the workload of the factory and avoiding excessive overtime later on.

'For us this was a win-win situation, with shared responsibility. It helped the supplier to get rid of extra stock materials and keep the work force active and on the other hand we were able to offer a highly relevant product to the market.'

- Brita Beresford, Production Manager, Norwegian Concept

'This customer is not treating us just as a business relationship but more as a partner. We feel that they respect us and are willing to listen. We are grateful that they are willing to be flexible and help us. We feel that we are in the same boat.'

– Duan Gunaghui, Team Leader, Luoyang Jumei Business, China, supplier to Norwegian Concept

Communication

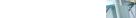
Norwegian Concept has made a meeting plan for their 'partner base' (suppliers) with goals for how many meeting per year, with the frequency based on partner rankings. For example, they aim to have more meetings with their strategic partners than their smallest partners. The meetings have a standardised agenda with the aim of increasing the dialogue and encouraging open and honest communication. The hope is that regular meetings will develop cooperation and reveal new opportunities, which has already been shown to be the case. Participants from different departments (Corporate Social Responsibility, Commercial team and designers) are always present in the partner meetings.

Timeline of workflow

In Q3 2024 the company is finalising a new timeline/workflow to share with their partners. The new routine has been developed as a result of reviewing and working on their critical path with one of their strategic partners. The 'critical path review exercise' was developed by the RPP Learning and Implementation Community (LIC). The aim is for new partners to get a better knowledge of the company's timings and requirements, to ensure that there is a match of expectations. For their current partners it's also helpful to have a clearer timeline and more in-depth information, which will build a better understanding of how the company works. The new format will be used to have two-way conversations on reasonable and feasible lead times.

Training

The company has conducted training for all departments on responsible purchasing practices. The training includes an introduction to their new purchasing policy with specific goals and actions (based on learnings from the LIC), and also an explanation of why responsible purchasing practices are important.



Source: Interview with Brita Beresford, Production Manager, Norwegian Concept and Duan Gunaghui, Team Leader, Luoyang Jumei Business, China. May 2023.

This case study mostly relates to 'Principle 2: Equal Partnership' of the Common Framework on Responsible Purchasing Practices

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Both Norwegian Concept and Luoyang Jumei Business are participants in the LIC.

