



## Better Buying Rating Cycle Nears End

### Suppliers Urged to Rate the Purchasing Practices of Their Buyers Through August 3<sup>rd</sup>

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July 30, 2018 – Better Buying, the initiative aimed at helping transform the relationships between buyers and suppliers so that everyone can meet their financial, environmental, and social sustainability goals, is wrapping up a second round of data collection. Suppliers are urged to make their voices heard and rate all their buyer customers by Friday, August 3<sup>rd</sup>.

“Already, suppliers from 32 countries have submitted ratings of their customers on Better Buying’s secure rating platform,” announced Marsha Dickson, Ph.D., co-founder of the Better Buying initiative. “It looks like we will end up with twice the number of ratings from the first cycle in 2017. New data being collected on things like payment for samples, financial strains suppliers face from poor forecasting, and frequently missed time and action milestones are revealing pain points for suppliers and areas of opportunity for buyers to develop more productive and efficient relationships with their suppliers.”

Scores from suppliers are aggregated into an overall score and a score on each of 7 key categories of purchasing practices: planning and forecasting, design and development, cost and cost negotiation, sourcing and order placement, payment and terms, management of the purchasing process, and CSR harmonization. To rate, suppliers take 4 steps: (1) register basic information, (2) search/add buyer, (3) complete the questionnaire, and (4) submit. A benchmark report from the current rating cycle will be released in the fall. Buyers receiving at least five ratings receive a report detailing their performance against the industry benchmark and recommendations for improvement. Results from suppliers are aggregated so no supplier is identifiable.

“Better Buying provides a unique opportunity for suppliers to provide honest feedback to their customers, without fear of harming their commercial relationship,” explained Doug Cahn, Better Buying co-founder. “Buyers receiving reports from the first rating cycle are finding the constructive feedback is valuable and are using it to plan for improvements.”

Key findings from Purchasing Practices Index Report Spring 2018 released in May were that the longer relationships between buyers and suppliers do not correspond to better buying practices and over 60% of suppliers are not provided any incentives for being compliant to buyer codes of conduct.



Honorable Felix Chung, Member of the Hong Kong Legislative Council (Textiles and Garment Sector), opened a seminar on Better Buying at Hong Kong Fashion Week on July 11<sup>th</sup> by declaring "...suppliers have to meet high standards set by buyers in order to participate in the business, while suppliers have little say when encountering unfair situations. After the development over two decades, improvements have been made in almost all aspects of the industry, so should the one-way buyer-supplier relationship."

At the same forum, Ninh Trinh, Regional Director of Responsible Sourcing at Target Corporation, said: "We source in thousands of factories over 40 countries. The reason we partner with Better Buying is we see this initiative as quite transformative. The data is valuable feedback we don't usually get from daily talking with our suppliers. It's anonymous and confidential. We want to use these data to drive change."

To begin the rating process, suppliers visit the Log In page on the Better Buying website, [www.betterbuying.org](http://www.betterbuying.org).