

CASE STUDY

A RACE AGAINST TIME: HOW ESCP HELPED A NEW INDONESIAN FACTORY PREPARE FOR INTERNATIONAL CUSTOMERS

AT A GLANCE



Industry:
Toy manufacturing



Joined ESCP:
2026

CHALLENGE

- Quickly adapting established systems to a different regulatory and operating environment

SOLUTION

- Gap Assessment, including practical fixes to compliance and safety issues

HIGHLIGHTS

- Fast-tracked support around the Chinese New Year holiday period
- Clearer alignment between Chinese and Indonesian teams
- Successful audit completion

“ESCP were motivated to meet our tight deadline. [...] That level of personalized, high-speed service during a major holiday was something I didn’t think was possible.”

Billie Liu

Director

PT Kids Play Indonesia

What does a newly opened factory do when it needs Ethical Supply Chain Program (ESCP) certification quickly to fulfill client requirements, just as the holiday period is approaching?

That was the predicament facing soft toy manufacturer PT Kids Play Indonesia, which had recently completed construction of the first of nine buildings at its new high-tech production facility.

“We had just paid the first month's wages to the new workers,” recalls Billie Liu, Director at the factory. “Then one of our major customers told us they wouldn’t be placing any orders until we had certification from ESCP. This was less than 10 days before we were about to close down for the Chinese New Year.”

What happened next underlines ESCP’s commitment to practical support that goes beyond audit.



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A NEW SITE BRINGING UNFAMILIAR CHALLENGES

PT Kids Play Indonesia was founded as part of its China-based parent company's growth strategy, driven by rising demand from a global customer base that includes Carrefour, Target and Walmart.

Its location in the Subang Smartpolitan industrial estate, part of West Java's rapidly expanding economic corridor, provided access to a local workforce, but as the new site took shape it became clear that staff may not be familiar with international audit standards. And for all the manufacturing experience of the Chinese management helping to set up the right systems, they had only a limited grasp of Indonesian legal requirements.

"There were big differences in understanding between the team in Shenzhen and our workers on the ground over what was needed," says Billie. "The result was conflict and uncertainty, making it much harder to develop policies and make decisions about facilities."

Mistakes, delays and costly compliance gaps were a real risk. The local HR manager, for example, believed a medical degree was enough to deliver first aid training, when local law required it to be provided by a certified institution, with the right documentation in place. Water testing presented a similar issue: the water quality report commissioned covered chemical analysis only, rather than the biological and physical tests also needed.

"At that point, getting up to the standard required to secure ESCP certification quickly enough for us to start taking the customer's orders seemed a long way off," says Billie. "I knew we needed help, so I rang April Yu [ESCP Director, Compliance & Capability Building], who I'd met a couple of times at industry roundtables. I told her I had a factory in Indonesia that was under pressure to achieve certification urgently or we'd lose out on a lot of business."

FROM UNCERTAINTY TO AUDIT-READY

The speed of the response took Billie by surprise.

"It was clear ESCP were motivated to meet our tight deadline," he says. "They listened to our situation and proposed a Gap Assessment. Things moved very quickly from there. In fact, while I was still submitting the documents and paying fees, they were already reviewing our files to save time, rather than waiting for the system to process everything first. That level of personalized, high-speed service during a major holiday was something I didn't think was possible."

SOLUTION

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A Gap Assessment is a service for facilities that are not yet confident they meet the programme's requirements. Delivered by ESCP's technical team, it involves a thorough onsite review of conditions against compliance expectations, showing factories what has to be fixed before a formal audit.

With the clock ticking, ESCP's on-the-ground team in Indonesia and team from China arrived at the factory the first day after the Chinese New Year break to begin the Gap Assessment. This hands-on assistance involved expertise from both ESCP's local Indonesian and China-based teams, and bridged differences in understanding between the factory's Chinese and Indonesian teams.

Practical issues on site were identified as they emerged. With parts of the factory still under construction, employee walking routes overlapped with construction vehicle traffic, creating a safety risk. Through discussions with ESCP, the factory developed a temporary solution, introducing a separate pedestrian route that significantly reduced the danger.

The factory also received guidance on corrective actions, followed by regular contact ahead of the audit, including online training and advice to keep preparations on track.

Billie says: "ESCP really reassured us. They pointed out issues immediately and worked with us to fix them. Although the project took place during the Chinese New Year period – the team remained highly responsive, holding regular online meetings and maintaining open, honest, and constructive communication. They also provided valuable insights, particularly in workforce planning, identifying opportunities to improve production cost efficiency while maintaining ESCP standards [allowing up to 72 working hours per week].

"The result was that we were able to successfully complete the formal audit within two months after I first made contact with them. I hadn't expected one phone call to lead to such a comprehensive response."

TRUSTED SUPPORT THAT LASTS

For Billie, one of ESCP's biggest strengths is that the relationship does not end once the audit is over.

As he points out, "Meeting responsible business standards is not something a factory can put in place once and forget about – it necessitates ongoing attention, maintenance and improvement. It's very reassuring to know we can contact ESCP directly whenever we need to. Sometimes in the middle of our work, if we are unclear on something, we call and receive immediate support.

As the Indonesian factory grows, Billie is confident that ongoing guidance will help embed standards from the outset, while also giving customers a clearer understanding of the company.

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"A commitment to high standards is central to us as a business," he says. "ESG and social responsibility are fundamental to our philosophy. We believe that an enterprise thrives when it grows in partnership with the communities and societies it serves. Beyond customer acceptance and recognition, it supports recruitment and retention. If we treat workers well, they stay. Higher retention leads to better productivity and lower costs, which in turn strengthens the business. It's a positive ecosystem."

The Ethical Supply Chain Program helps factories and their business partners uncover hidden ethical, environmental and social risk and drive positive change.

[learn more](#)

Is Your Facility Ready? Find Out with a **Gap Assessment**

Understand where you stand before certification.

A Gap Assessment helps your facility identify areas for improvement against ESCP requirements and build a clear pathway towards certification.



01 On-site assessment

A thorough review of your facility against ESCP certification requirements.

02 Detailed findings

A clear assessment report highlighting identified gaps and areas for improvement.

03 Remediation guidance

Practical recommendations to help your team address gaps and strengthen compliance.

04 Technical support

Expert guidance from the ESCP technical team to support your facility throughout the process.