

Code of Ethics

**Overarching Principle**

*The Chicago Embroidery Company (CEC) is a manufacturer, based in Chicago, Il., of custom embroidered patches. The CEC has a rich history in the city of Chicago, with over a century of operations. The CEC commits itself to being a responsible member, as both a company and neighbor, of the communities in which it operates, internationally, nationally, and locally. The employees and affiliates of the CEC will strive to develop professionalism, respect, and good reputation in all aspects of company operations. As such, no affiliate or employee shall find him or herself in any situation or partaking in any action that could in some way detrimentally affect the CEC or compromise the ethics of his or her self or the ethics of the company. The CEC will never cause the personal values, beliefs, or morals of an individual to be compromised.*

**Layer One - Law**

Canon: The CEC will abide by all laws, at the federal, state, and local levels, in every aspect of business, from manufacturing to sales.

*Pressure: There is an extremely high demand for certain patches for which licensing information is uncertain.*

*Risk: CEC manufactures a patch that is copyrighted and for which the CEC has no license to make. The CEC faces legal action for copyright infringement.*

*Measure: CEC will always ensure through all possible measures that it is following licensing agreements and copyright law.*

*Pressure: CEC may feel pressured by competition to manufacture its products more cheaply.*

*Risk: CEC engages in illegal labor practices to reduce production costs.*

*Measure: CEC will carefully follow all labor laws.*

**Layer Two – Contracts:**

Canon: CEC will adhere to all contracts to which CEC agrees upon and will not breach any agreements. Our contracts will be fair and honest with the best intentions for all parties. Nondisclosure agreements with the CEC will be followed and not violated.

*Pressure: A member of the company needs help with making a decision and wants outside help.*

*Risk: A nondisclosure agreement is breeched and results in confidential information released to the public.*

*Measure: CEC affiliates will methodically read and understand all agreements signed and never violate them or release confidential information to outsiders.*

*Pressure: A member of the CEC is tempted to replicate a product to make extra money.*

*Risk: Could result in license violation and distrust in the CEC.*

*Measure: The CEC will follow all licensing agreements established by the CEC or others.*

### **Layer Three – Professional Codes**

Canon: CEC and its employees will be honest, competent, and professional when it comes to any interaction which could possibly reflect upon CEC in any way.

*Pressure: A competitor is selling a patch similar to one we make for less money. The CEC could feel pressured into falsely slandering their competitors patch or even into lowering prices while tacking on hidden fees.*

*Risk: CEC could lose business when the hidden fees are discovered. Also, making false claims about a competitor will make the company look bad in the eyes of other companies as well as customers.*

*Measure: CEC will always be honest in its dealings with customers, affiliates, and industry.*

*Pressure: An employee of CEC upsets a customer through a CEC mistake in shipment. This is not this particular employee's fault and he/she is fed up with this customer's hostility towards him/her.*

*Risk: An unprofessional response to an ill-mannered customer could result in loss of business, bad publicity, or worse. One employee being unprofessional can and will reflect poorly upon the whole company.*

*Measure: The CEC, its employees, and its affiliates will strive to maintain professionalism and always to serve its customers.*

### **Layer Three - Industry Standards**

Canon: CEC will follow ethical procedures by creating and manufacturing products based on accepted specifications.

*Pressure: Taking on an abundance of projects will leave the company without the required time to complete a project.*

*Risk: CEC cuts corners to meet deadlines.*

*Risk: The CEC creates inferior products that do not meet industry standards. The CEC loses good reputation and does not treat its customers fairly.*

*Measure: CEC will not cut corners to increase profits or speed up operations. CEC will always maintain its commitment to high quality products.*

*Pressure: CEC feels pressured to release a new website very quickly.*

*Risk: CEC will release an inferior quality website that does not meet industry standards.*

*Measure: The CEC will appear unprofessional and will lose credibility and possibly sales.*

### **Layer Five – Community**

**Canon:** The CEC will strive to promote unity and success within its communities. As a long standing member of the Chicago community, the CEC feels that it is its privilege to help others through charity events and schools. The CEC also will commit itself to being responsible in the international community in which it operates.

*Pressure: The CEC wishes to reduce manufacturing and overhead costs to increase profit margins.*

*Risk: Though technically following local labor laws in the community in which CEC manufactures its products, CEC asks its manufacturers to increase labor efficiency, causing employees to be overworked and treated unfairly.*

*Measure: The CEC will work with its manufacturers to ensure proper treatment of affiliate employees internationally.*

*Pressure: The CEC wishes to increase profits while selling its products to schools and local non-profit organizations.*

*Risk: The CEC takes advantage of community organizations by charging them unfair prices for products.*

*Measure: The CEC will never charge unfair prices for its products and will always deal and interact with local schools and non-profits with the interests of the community in mind.*

### **Layer Six – Personal Relationships**

**Canon:** We will respect and trust each one another as members and affiliates of and to the CEC. As such CEC affiliates and member employees will strive to build personal relationships with one another so as to become more cohesive as a unit. The CEC will work towards excellent personal relationships with their clientele.

*Pressure: The CEC is pressured by time constraints, financial problems, or other challenging circumstances.*

*Risk: CEC member employees and affiliates disrespectfully disagree with one another, causing personal arguments, loss of productivity, and loss of trust.*

*Measure: We will always act respectfully towards one another in dealings within and outside of the CEC. We will seek to develop quality personal relationships with one another.*

*Pressure: A CEC customer is being particularly difficult to do business with.*

*Risk: A CEC employee, affiliate, or representative treats the customer disrespectfully. Others talk about the customer behind his or her back. The customer takes his or her business elsewhere and the CEC cultivates disrespect towards customers.*

*Measure: CEC affiliates, employees, and representatives will always be respectful towards customers on both the business and personal levels.*

### **Layer Seven – Morals**

Canon: The CEC, as a company and as individual members of the CEC community, must communicate openly and honestly in offerings of ideas and constructive criticism while respecting one another's morals, values, belief systems, opinions, experiences, ideas, and ideals.

*Pressure: Accomplish goals set by the CEC.*

*Risk: Become frustrated when differences of opinion arise, causing disrespectful treatment towards one another.*

*Pressure: Create product lines after analyzing market research.*

*Risk: Falsify market research data in order to finish more quickly, to avoid asking for help, or to avoid embarrassment in collecting it.*