

Supplier Training

Supplier Scorecards



Supplier Scorecards

Both at Young & Franklin and Tactair, our goal is to work with our suppliers to help avoid problems and help towards continuous improvement

We have developed the following training document to explain our Supplier Scorecard Process and to highlight how we would like to use your quarterly report to identify issues and drive improvements

Note: This document is for reference only and does not supersede official communication



Continuous Improvement

- Although we will use the scorecards to help us make sourcing decisions, our primary focus is continuous improvement
- We are looking for supplier response with plans to meet or exceed our targets and show visible improvements
- If you have any questions or suggestions about the metrics and data integrity, please don't hesitate to contact your buyer



Supplier Scorecard Process

- Reports updated and emailed quarterly
- Continue to track % Lot Accepted and % On Time To Promise
- Added other metrics to better breakdown performance trends and to help with continuous improvement

Supplier Rating

- Supplier's overall rating is based upon their rolling average performance for 4 quarters for both quality and delivery
- To achieve fully approved status Quality must be 95% or greater and Delivery must be 90 % or greater
- Suppliers whose status is restricted (below 90 in Quality and below 85 for Delivery) won't be considered for new parts without management approval
- Our Supply base has been broken down into ~40 different categories



Quality

- **Percent Lot Accepted** is our primary quality metric
- **Your performance for the last 4 Quarters and the rolling average is listed**
- SDWRs are not included in % Lot Accepted, but are tracked separately for visibility
- All issues count in this metric
 - We do not distinguish between major and minor
 - A “minor dimensional issue” could have major business or safety consequences



Quality- Categorized QARs

- Grouping of QARs to better help us identify and address systemic issues
- Can use number of discrepant parts to calculate PPM if interested

	Count
	Damage
	Dimensional
	Does Not Function
	Identification
	Material
	Processing
	Paperwork
	Unapproved Supplier
	Other

Quality- SDWR Approval Percent

- Number of SDWRs submitted and approved are shown for visibility.
- SDWRs are a communication tool.
 - Note drawing exceptions during the quoting phase, rather than using an SDWR.
 - If issues are discovered later or arise during manufacture, a Supplier Deviation Waiver Request must be sent to your buyer and approved BEFORE shipping parts.
 - SDWRs are applicable only to the parts on the referenced PO and an approved copy must accompany the shipment.
 - SDWR root cause and corrective action must be long term and verifiable.
 - SDWR submittal should be an exception, not the rule.



Quality- Quality Operating System Level

- Rating based on available information: We will update after receiving latest quality surveys
- We are looking to see continual improvement programs in action on our parts

A	ISO/AS certified (or NADCAP for processing), including continual improvement programs such as 6 Sigma, Lean, or ACE implemented, Excellent testing, advanced inspection, poka yoke capability
B	ISO/AS compliant (or NADCAP compliant for processing) with major customers. Continuous improvement programs such as 6 sigma, Lean, or ACE planned, some testing, advanced inspection, poka yoke capability
C	ISO/AS compliant (or NADCAP compliant for processing) with major customers
D	Restricted use or limited quality approval
F	Not approved quality system

Delivery

- **Percent On-time To Promise** is our primary delivery metric
- **Your performance for the last 4 Quarters and the rolling average is listed**
- We do not double penalize you for rejected parts
- We only change the promise date for Tactair/Y&F issues (we fail to provide material on-time, SDWR response delay for on-time parts, drawing issues, and expediting of other parts)
- We want to understand the driving factors behind late deliveries to improve this metric



Delivery- Gated Parts

- Gated parts are the longest lead-time parts in an assembly
- Extra effort to reduce quoted book lead-time for these parts
- Delivery times are quoted for reference
- Reductions will allow us to quote shorter assembly leadtimes to our customers

Flexibility

Our Autofax Open Order status reports are faxed weekly. Your prompt return is critical to our production planning. Either fax or e-mail your response to us. We track your response by percent received.

We rate responsiveness as a team subjectively. We are sharing this feedback with you, emphasizing this is subjective data.

10 pts	Returns phone calls/e-mails promptly
10 pts	Proactive on potential issues
10 pts	Quick quote turn-around, proactive for new business
10 pts	CAR response
10 pts	Q survey/annual review response

Business Status

- We include spend for the last 2 years and current year YTD
- **Manufacturing Capability** assessment is based on machine lists and visit reviews
- **Development Plan** includes your future plans and the type of product and level of support that we will expect
- Quality, Delivery and Responsiveness plans are for actions to improve your performance

Scorecard Response Expected from Supplier

- Review data thoroughly
- Contact your buyer with any questions
- Provide updates to your buyer with improvement plans for Quality, Delivery and/or Flexibility within 2 weeks of receipt
- Show continual improvement in performance results

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Training Complete

Thank you

