

# Track Corporation Supplier Manual

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## 1.0 INTRODUCTION

### 1.1 OVERVIEW:

- ❖ The Track Supplier Quality Manual is for our suppliers to have an understanding of Track's expectations in regards to quality, delivery and assurance of successful product launches. We are committed to our customers to meet their quality needs and expectations. You as a supplier play a vital role in helping Track to achieve customer satisfaction. Suppliers to Track Corp. must assume responsibility for their products and services.

*Though we try to maintain consistency, the expectations of our customers may supersede Track Corp. policies and procedures.*

### 1.2 SUPPLIER GOALS:

- ❖ Track Corp. expects our suppliers to continuously work to achieve the following:
  - **Delivery – 100% on-time delivery of products/services – Zero PPM**
  - **Quality – Defect free products – Zero PPM**

### 1.3 PARTNERSHIPS:

- ❖ Track Corp. believes that the mutual success of Track and its suppliers depends on forming strong partnerships, based on cooperation and mutual success. A key element the development of partnerships is the clear definition of expectations and responsibilities.

#### **Track's Responsibilities**

- ❖ Track Corp. is continuously working to improve how we interact with a diverse group of companies providing vital goods and services. Track's responsibilities to our supply base include:
  - Communicating clear expectations and requirements
  - Providing timely and accurate feedback on supplier performance
  - Serving as a resource for suppliers

We welcome and expect continuous feedback from our supply base regarding opportunities for Track to improve our performance as a customer.

#### **Supplier Responsibilities**

- ❖ The capabilities of supply base partners are critical to the continued success and growth of Track Corp. Valuable characteristics of excellent suppliers include:
  - Proactive communication with Track regarding any and all concerns that may affect Track.
  - Consistently meeting Track's quality and delivery expectations
  - Flexibility in meeting dynamic customer needs
  - Continuous improvement of operational performance and customer service

### 1.4 Environmental Statement

- ❖ Track Corporation is working to achieve compliance to ISO14001. Track's Environmental Policy is as follows:
  - ❖ Track Corp. will demonstrate sound environmental performance by controlling the impact of our activities, products and services on the environment by:
    - Reducing risks
    - Compliance with Environmental Regulations
    - Pollution Prevention
    - Continuous Improvement

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## 2.0 QUALITY REQUIREMENTS:

### 2.1 QUALITY SYSTEMS REQUIREMENTS:

- ❖ Track Corporation expects that all supplied products and services meet or exceed our quality requirements 100% of the time. Track Corp. does business with domestic and international companies, both automotive and non-automotive. Customer specific requirements will supersede Track requirements and will be communicated to the supplier. Suppliers must be compliant to Track Corporation and/or customer specific requirements at all times.
- ❖ Track Corporation is committed to be certified to the highest required standards as specified by our customers. The current requirement, for the automotive industry, is the TS-16949:2002 Quality Management System. We expect suppliers, involved in the production of automotive components, to be certified to the ISO9001:2000 Standard and conforming to the TS16949:2002 requirements. Conformance to the TS-16949:2002 standard is defined by the current IAOB published requirements. Track will perform supplier quality management system development with the goal of supplier compliance to TS 16949 standards. An ISO or TS registration does not exempt a supplier from a customer based assessment.
  - The International Automotive Oversight Bureau (IAOB) regularly publishes the most current updates and interpretations to the TS-16949:2002 quality standard as well as OEM customer specific requirements. Information can be found on the IAOB website: [www.iaob.org](http://www.iaob.org)
- ❖ Suppliers have the responsibility to provide goods and services that meet all quality specifications. If this is not met, the supplier will be held financially responsible if their failure results in losses to Track Corp. or any of Track's customers.
- ❖ Suppliers will follow the manual unless written authorization is given by Track Corp.

### 2.2 NEW PRODUCT REQUIREMENTS:

- ❖ Engineering Changes:
  - Suppliers are required to comply with (and maintain on file) the current issued Track Corporation controlled copy blueprint or specification. When engineering changes occur, a print/specification and an Engineering Acknowledgement form will be sent to the supplier. This form must be signed acknowledging receipt and returned to Track Corporation Purchasing Department.

### 2.3 ADVANCED PRODUCT QUALITY PLANNING (APQP):

#### *(Automotive suppliers or Non automotive suppliers at Track Corp request)*

- ❖ The supplier is required to conduct documented Advanced Product Quality Planning (APQP) activities on all new products and major re-design of existing products. The guide to be used in this process is the "Advanced Product Quality Planning and Control Plan" reference manual published by AIAG and any associated customer specific requirements. However, the requirements may be customized to the program, depending upon who the end customer is. Track Corporation will communicate these requirements to the supplier.
- ❖ The supplier's APQP activities may be evaluated at specific intervals by Track Corp personnel to ensure the appropriate planning activities are taking place. Periodic reporting is required using the APQP checklist (refer to the AIAG APQP Manual). GP-12 will be enforced through the APQP/PPAP process.
- ❖ It is the responsibility of the supplier to ensure that they have a full understanding of all requirements.

### 2.4 SAMPLE SUBMISSION PRODUCTION PART APPROVAL PROCESS (PPAP):

- ❖ Track requires that part sample submissions be based on the AIAG PPAP Manual for automotive suppliers. The supplier is responsible for complying with any customer specific submission requirements for Tracks end user (see appendix in the AIAG PPAP Manual). Track Corp shall communicate the PPAP requirements to the supplier.
- ❖ Sample approval is required whenever one or more the following conditions occurs:
  - New tooling.
  - Changes / improvements to current tooling
  - New manufacturing location.

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- Improvements or changes to current manufacturing process.
  - A new sub supplier or outside processor is introduced.
  - A tool has been out of production more than one year.
- ❖ The supplier is to notify Track if changes are to occur. Track will give the supplier direction on the level of PPAP required for circumstances mentioned above. Submission for PPAP approval is required unless specifically waived by Track Corp.
  - ❖ All automotive PPAPS are to be submitted at Level 3 as defined on the part submission warrant unless otherwise directed to the supplier by Track's Purchasing or Quality Department.
  - ❖ The supplier shall submit three PPAP samples per part number. These parts must be produced from production tooling and shall serve as the 'master' for comparison purposes.
  - ❖ Suppliers shall submit a PPAP submission for Track approval prior to mass production shipments. The submission package shall include verification of material and special characteristics for the supplier's product. The supplier is responsible for performing the inspection, testing to lab standards and sample submission. Dimensional and material test results are record of actual data and shall include all dimensions, characteristics and specifications that are noted on the blue print and control plan. If the supplier cannot perform the required tests, services may be completed by an accredited source. When third party inspection services are used, the name of the service that performed the inspection shall be identified. The results shall be submitted on the third parties letterhead or their report. Also, the Scope of Accreditation must be submitted for the source performing the test.
  - ❖ The supplier may not ship production product until PPAP approval is given in writing by Track Quality or an approved deviation is in place.
  - ❖ Missing submission dates, submitting samples that are found to be dimensionally incorrect or having incomplete documentation are subject to rejection.
  - ❖ Contact Track Quality with questions pertaining to PPAP. The PPAP shall be submitted to the PPAP Coordinator at Track. Track's PPAP Coordinator will communicate the results of the PPAP package review per the Supplier Sample Submission Results.

## **2.5 PART APPROVAL PROCESS FOR NON-AUTOMOTIVE SUPPLIERS/PRODUCT:**

- ❖ Non-automotive suppliers are required to submit (at a minimum) a part submission warrant and part dimensional layout with drawing for each part number. Additional requirements may be specified by Track's Purchasing or Quality Department. A separate warrant shall be used for each part number.
- ❖ Suppliers shall submit a Part submission for Track approval prior to mass production shipments. The submission shall include verification of material and special characteristics for the supplier's product. The supplier is responsible for performing the inspection, testing to lab standards and sample submission. The supplier may not ship production product until written approval is received from Track Quality or an approved deviation is in place.
- ❖ Contact Track Quality with questions pertaining to part submissions. All submissions must be sent to the PPAP Coordinator at Track. Track's PPAP Coordinator will communicate the results of the PPAP package review per the Supplier Sample Submission Results.

## **2.6 INTERNATIONAL MATERIALS DATABASE SYSTEMS (IMDS)**

- ❖ On September 18, 2000, the European Union established the End of Life (ELV) Directive. The purpose of this directive is to identify all hazardous materials and to determine recyclability of the vehicle at the end of its useful life. The IMDS is a database system where the material composition of parts, and how much of the part can be recycled, are enter and tracked. AIAG has developed an industry standard method of collecting this data. It can be accessed, free of charge, at [www.aiag.org](http://www.aiag.org).

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## 2.7 CORRECTIVE ACTION:

- ❖ Track suppliers are responsible for supplying Track with zero defect product and services. If defective material or services occur, Track requires the supplier to have a corrective action procedure in place to provide immediate corrective action and root cause problem solving to resolve the issue and prevent reoccurrence. When non-conforming material is found, Track Quality will contact the supplier and a Corrective Action Report may be issued. The supplier is expected to respond immediately to any quality or delivery issues.
- ❖ The nonconformance, as well as the action taken by the supplier, is reflected on the Track Corp. Monthly Supplier Scorecard (refer to section 5.0).
- ❖ The reason for the issuance of a Corrective Action can include, but is not limited to:
  - Nonconforming product found anywhere in Track Corporations process
  - Nonconforming product found a Track's customer as a result of the supplier's product
  - Product quantity is not listed on the container
  - Incorrect material/product was shipped
  - Misidentified parts/material
  - Incorrect packaging
  - Product that is damaged as a result of inadequate packaging
  - Packing slip incorrect or missing information
  - Labeling of product does not meet Track Corp's labeling requirements
- ❖ The supplier is responsible for:
  - Initial containment plans responded within 24 hours.
  - A containment plan to hold and inspect all material at suppliers facility, Track and if necessary at Track's customer.
  - Timing to replace product with certified stock (material that has been 100% inspected for rejects).
  - A plan to rework or repair product until replacement certified product is available.
  - Stock that has been certified by the supplier must be identified
- ❖ A completed corrective action is required within 10 days after the occurrence. Include all documentation that is affected to standardize corrective actions into the quality system: PFMEA, control plan, work instructions, etc.
- ❖ If a timely response is not received, the supplier rating on the monthly supplier scorecard will be negatively affected. If a supplier does not return the corrective action report within the 10 day time frame, Track Corp. reserves the right to place the supplier on containment until the report is completed to our satisfaction.

## 2.8 CONTAINMENT:

- ❖ All suppliers are required to have a containment process to provide additional verification – outside normal processes, prior to shipment. The process must include identifying containment actions, isolating concerns and implementing corrective actions. An exit criteria plan must be submitted to Track Quality for approval.
  - LEVEL I CONTAINMENT: Level I containment is required for new production start-up and engineering changes to contain any failure modes due to the learning curve of new start-up.
  - LEVEL II CONTAINMENT: Level II containment requires the supplier to implement extraordinary inspection of product to contain a specific failure. Containment actions must verify that requirements are met and be approved by Track Quality.
  - LEVEL III CONTAINMENT: Level III containment requires the supplier to provide an independent third party to inspect product offsite prior to release for shipment to Track Corp. Level III containment is initiated once the supplier fails to contain non-conforming product within their facility.

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## **2.9 REQUEST FOR TEMPORARY DEVIATION:**

- ❖ Suppliers shall not make any changes in part design, material or manufacturing process without prior customer approval, this also includes reworked or repaired product. A product deviation is used when a specific quality of product being shipped or used is not in compliance with the specified drawing, inspection criteria or standards. A deviation will only be agreed upon if there is no other available inventory and the fit, function, performance, safety, durability or appearance of the end item is not affected.
- ❖ A signed deviation form shall be submitted by the supplier to Track Quality and approved within the Track system before the product may be shipped.
- ❖ Material must be segregated and not sent to Track until a written deviation approval is given to the supplier.
- ❖ The supplier will be expected to pay costs incurred by Track due to material costs, special processing performed by Track and material handling due to deviation.

## **2.10 CHARGE BACK POLICY: (rejection issues)**

- ❖ Costs associated with supplier part quality issues and PPAP that are the supplier's responsibility will be charged back to the supplier.
- ❖ Potential sources of costs may include:
  - Line shut down
  - Charges for sorting or rework (both at Track or Track's customer)
  - Travel costs incurred by Track to contain the issue at our customer
- ❖ If the rejects cause downtime at Track, the supplier will be debited an amount based on (downtime hours x labor cost/hour) + (variable cost incurred, i.e. expedited freight, customer shutdown charges, etc).
- ❖ The supplier may evaluate the findings of their issues upon receipt of a Supplier Debit Notice and/or a corrective action with a Quality Representative.

## **2.11 REWORK / REPAIR OF PRODUCT:**

- ❖ The supplier must have written rework instructions for any rework or repair operations performed on Track products.
- ❖ Any costs incurred by Track Corp. due to processing parts that have been repaired or reworked without obtaining the proper authorization will be the responsibility of the supplier.
- ❖ Under no circumstances shall the supplier rework or repair parts or material and ship them to Track Corp without receiving prior written authorization. Any parts shipped prior to obtaining the appropriate written approvals may be rejected and returned to the supplier at their expense. All costs incurred by Track Corp due to processing parts that have been repaired or reworked without obtaining the proper authorization will be the responsibility of the supplier.

## **3.0 PURCHASING EXPECTATIONS:**

### **3.1 SUPPLIER ASSESSMENT:**

- ❖ A Supplier Base Questionnaire/Survey is a requirement to verify that the potential new supplier has the appropriate quality and business systems in place to meet the minimum requirements of Track Corp. This self-assessment will also be used to verify that current suppliers have maintained their quality and business systems. The Supplier Base Questionnaire/Survey needs to be completed and returned to Track prior to an on-site visit by Track Corp personnel. This will include suppliers that have not met Track's performance expectations and suppliers that are not ISO-9001:2000 or TS-19649 certified.
- ❖ A Supplier Quality System Audit may be performed at the supplier's manufacturing location by a Track representative.

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- ❖ After the Supplier Base Questionnaire/Survey is returned a Track representative will review the findings and communicate feedback to the supplier. A supplier that scores a failing grade will be placed on Track Corps' temporary supplier approval list.

## **3.2 REQUEST FOR QUOTE PACKAGE:**

- ❖ The formal Request for Quote form will be forwarded to each supplier on the bidder's list. The bidder is required to review all information contained in the quote package. The quote package could contain information such as, but not limited to:
  - Design records (i.e. prints or specifications)
  - Quality expectations
  - Statement of work
  - Feasibility commitments
  - Engineering notes
  - Buyer notes
  - Expected volume requirements
  - Type of containers (i.e. returnable vs. expendable)
  - If available: timing requirements for samples or PPAP
  - Due date for response to request for quote
  - Schedule and material delivery parameters

## **3.3 RESPONDING TO A REQUEST FOR QUOTE:**

- ❖ Please note that Track Corp. may not honor late responses. The bidder is required to meet response timing as indicated in the quote package. Responses must have all worksheet(s) filled out with detailed answers for each question. The bidder should quote exactly what is specified, including all quality requirements, specifications, and/or prints dimensions. All exceptions must be clearly defined in writing to Track's Purchasing Agent.

## **3.4 QUOTE RESPONSE REQUIREMENTS:**

- ❖ Quote requirements center primarily on pricing, engineering compliance, service terms and quality.

## **3.5 CONFIDENTIALITY:**

- ❖ All correspondence and information passed between Track Corp. and suppliers is to be treated in a confidential manner. This includes, but is not limited to, written, verbal and viewed material in the forms of documents, product, components, ideas, concepts, etc. A confidentiality agreement will be sent with an initial Request For Quote or presented at the initial visit to Track Corp. This agreement is to be signed and returned to the Purchasing Agent at Track Corp.

## **3.6 LOT CONTROL AND TRACEABILITY:**

- ❖ The purpose of lot control and traceability is to define the method of identifying supplier's lot numbers for traceability of incoming product at Track Corp. Lot numbers are required for all incoming raw materials and component parts. The lot number shall be included on the bar code label (see Labeling & Packaging Requirements). The supplier shall maintain and identify records for each shipment.
- ❖ All internal procedures for lot traceability at the supplier's facility shall include comments related to the lot control number or date code on the product label. Lot codes can be traced by shift, run (days, weeks), batch or heat number. If a container consists of mixed lots, the supplier must develop a method of traceability per lot.

## **3.7 CONTROL OF TRACK SUPPLIED PRODUCT:**

- ❖ The supplier shall establish procedures for the control of verification, storage and maintenance of any Track supplied product. Examples of Track supplied product may include returnable packaging or tooling. The supplier shall record and report any lost or damaged product to the Purchasing Agent at Track Corp.

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## 3.8 TOOLING:

- ❖ The supplier shall be responsible to perform or make arrangements for any tooling maintenance or repair. The 'tooling' refers to any mold, gauge, die or fixture required to produce or measure a part.
- ❖ For all gages, the supplier is responsible for:
  - Maintaining cleanliness of gages
  - Gage calibration and ensuring gages are labeled appropriately
  - Ensuring safe handling and storage of gages
  - Periodic inspection of gages for noticeable wear and/or damage
  - Notifying Track prior to any repair, replacements of part, or modification of any kind to gages
  - Identifying gage/fixtures owned by Track Corporation with an asset tag
- ❖ If tooling is the property of Track Corp. it must be permanently identified as such.
- ❖ The supplier is responsible for maintaining the tool for the life of the program. At the discontinuation of the program, the tool is to be returned to Track Corp.
- ❖ Track reserves the right to conduct an audit on all customer paid tooling and will be allowed to photograph all tooling for identification purposes.
- ❖ The supplier shall be responsible to procure and stock all spare parts necessary to support tooling requirements during the contracted production period.
- ❖ Track Corp. must be notified prior to and give approval to any modifications to the tool.

## 4.0 LABELING AND PACKAGING REQUIREMENTS:

### 4.1 INTRODUCTION:

- ❖ This section provides guidelines for the printing and placement of Shipping/Parts Identification Labels. The intent of the label is to improve both the supplier and customer productivity by allowing effective and efficient capturing of data for inventory and production control.
- ❖ It is the responsibility of the supplier to provide the following specifications.

### 4.2 LABELING SPECIFICATIONS:

- ❖ Track Corp. requires that all individual packs (i.e. box/package of items) have clear, identifiable labels affixed to them in an easy accessible and consistent location. It is the responsibility of the supplier to provide bar coded labels that meet Track's label specifications (see sample, minimum size 4x6). The supplier is also expected to guard against the following types of label errors:
  - Incorrect part number on label
  - Incorrect shipping label
  - Incorrect label on individual containers
  - Wrong quantity on label
  - Missing part number on label
  - Mixed parts
  - Unreadable bar code
- ❖ Any mislabeled product received at Track Corp will be treated as 100% non-conforming material. Label errors will have a direct impact on supplier performance.

### 4.3 PACKAGING REQUIREMENTS:

- ❖ Suppliers are responsible for providing a design that insures part integrity during shipping and handling. Part protection is the key element and should be built into the container design. In addition, the supplier is responsible to identify and communicate any packaging changes, improvements, etc.
- ❖ No partial lot size is accepted without prior approval from Track Corp.

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- ❖ All manual hand carried container and product combined gross weight is not to exceed 40 lbs.
- ❖ Packages/containers must be free of debris, foreign material and fluids when they are received at Track Corp.
- ❖ Costs incurred by Track Corp for any of the above criteria will be charged back to the supplier.

#### 4.4 RETURNABLE CONTAINERS:

- ❖ Whenever possible returnable packaging is recommended for all programs unless a returnable system cannot be cost justified. Returnable containers must be stackable, bendable and when feasible, nestable and/or collapsible.
- ❖ Suppliers are responsible for removing all old labels from containers before returning them to Track Corp.

#### 4.5 PACKING SLIPS

- ❖ Incoming packing slips must contain the following:
  - Ship Date
  - Purchase order number – one purchase order per invoice
  - Remit to address, including telephone and fax
  - Track part number (where applicable)
  - Description of product
  - Quantity, unit of measure and number of containers
  - Supplier packing slip number, which must also be reference on the invoice
  - Ship via and FOB
- ❖ Packing slips that do not comply with the above requirements may affect the Service section of the supplier scorecard.

### 5.0 SUPPLIER PERFORMANCE AND EVALUATION:

#### 5.1 INTRODUCTION:

- ❖ Track Corp rates its suppliers on a monthly basis. The purpose of this rating is two fold – it provides for objective comparison of a supplier's performance, and it is a tool to benchmark the supplier's competitiveness in the marketplace.
- ❖ We want to ensure that our ratings are accurate and effective. If a supplier feels there is a discrepancy in their rating report, they should contact Track Quality within two weeks of the report date.
- ❖ It is the responsibility of the supplier to access their scorecard, on a monthly basis, on the Track Corporation website ([www.trackseating.com/suppliers](http://www.trackseating.com/suppliers)) and entering their user name and password (user name and password can be obtained from the Track Corporation Quality Manager or PPAP Coordinator).
- ❖ The performance criteria described below is used to monitor the performance of all suppliers to Track Corp.

#### 5.2 SUPPLIER SCORE RATING CRITERIA:

- |   |           |
|---|-----------|
| ➤ Rejected Parts Per Million (RPPM)           | 25 points |
| ➤ Corrective Actions / 8D's                   | 25 points |
| ➤ Delivery                                    | 25 points |
| ➤ Service / Responsiveness (APQP, PPAP, etc.) | 25 points |

#### 5.3 QUALITY SCORE CALCULATION:

- ❖ Supplier RPPM is calculated on the basis of the amount of non-conforming materials versus the total amount of material received in a given month. This number is then adjusted to reflect a constant of one million units received.

EXAMPLE: A supplier ships 50,000 parts to Track. Of these parts, 10 are found to be non-conforming. The RPPM calculation will be  $(10/50,000) \times 1,000,000 = 200$  RPPM's. The suppliers score for this example will be 22 points.

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- ❖ The following table outlines parts per million ranges and their respective scores:

RPPM Rating	Score
0-50	25
50-100	24
101-150	23
151-200	22
201-250	21
251-300	20
301-350	19
351-400	18
401-450	17
451-500	16
501-550	15
551-600	14
601-650	13
651-700	12
701-750	11
751-800	10
801-850	9
851-900	8
901-950	7
951-1000	6
1001-1050	5
1051-1100	4
1101-1150	3
1151-1200	2
1201-1250	1
1251 or greater	0

#### 5.4 CORRECTIVE ACTION SCORE:

- ❖ The system rates the supplier on the number of formal supplier debits and formally requested corrective actions / 8D's that are open and the severity of the complaint. The following formula is used: (number of occurrences per classification code) x (severity index).
  - EXAMPLE: A supplier receives one written complaint in level 1 and has two open corrective actions in level 2. The total number of points will be calculated as  $(1 \times 10) + (2 \times 25) = 60$ . The suppliers score would be 13 points. The following tables outline the severity index, the ranges and their respective scores.

<b>Level 1</b>	<b>Engineering issues</b>	<b>0.10 points per occurrence</b>
<b>Level 2</b>	<b>Minor issues</b>	<b>0.25 points per occurrence</b>
<b>Level 3</b>	<b>Major issues</b>	<b>0.50 points per occurrence</b>
<b>Level 4</b>	<b>Timeliness of 8D return</b>	<b>0.75 points per occurrence</b>
<b>Level 5</b>	<b>Severe issues</b>	<b>1.00 points per occurrence</b>

- Timely response to a supplier corrective action is essential. Suppliers are required to use cross-functional teams to resolve issues in a timely manner. Initial response to a corrective action, including containment actions, is expected within 24 hours of notification.

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Total Rating Points		Score
0.00-	0.09	25
0.10-	0.19	23
0.20-	0.29	21
0.30-	0.39	19
0.40-	0.49	17
0.50-	0.59	15
0.60-	0.69	13
0.70-	0.79	11
0.80-	0.89	9
0.90-	0.99	7
1.00-	1.09	5
1.10-	1.19	4
1.20-	1.29	3
1.30-	1.39	2
1.40-	1.49	1
1.50-	or greater	0

## 5.5 ON-TIME DELIVERY SCORE:

- ❖ Delivery ratings are calculated on the basis of the amount of shipments that have errors versus the total amount of shipments in a given month. This information is then calculated into a percentage. Delivery ratings are determined on the occurrence of the following criteria only when it is determined to be the supplier's responsibility.
  - Late deliveries
  - Premium freight occurrences
  - Damaged parts
  - Over shipment of quantity ordered
  - Short shipment of quantity ordered
  - Early deliveries
  - Label errors
- ❖ The potential for more than one occurrence per shipment does exist. If no shipments are received in the given month, a notation will appear on your scorecard in the comment section.
- ❖ The system calculates the delivery percentage and associated points based on the following formula:  
Delivery % = [(total shipments – number of occurrences) / total shipments] x 100
  - EXAMPLE: A supplier sends 36 shipments for the month, of those 36 shipments one shipment is late and one shipment is short of the quantity ordered. This counts as two occurrences. The delivery percentage calculation will be [(36-2)/36] = 94.4%. The suppliers score for this example will be 19 points. See table below.

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Delivery Occurrence %	Score
100	25
98.1-99	24
97.1-98	23
96.1-97	22
95.1-96	21
97.1-95	20
93.1-94	19
92.1-93	18
91.1-92	17
90.1-91	16
89.1-90	15
88.1-89	14
87.1-88	13
86.1-87	12
85.1-86	11
84.1-85	10
83.1-84	9
82.1-83	8
81.1-82	7
80.1-81	6
79.1-80	5
78.1-79	4
77.1-78	3
76.1-77	2
75.1-76	1
75 or less	0

## 5.6 SERVICE / RESPONSIVENESS SCORE:

- ❖ Service ratings are determined on the basis of the following criteria:
  - On time and accurate PPAP's, as required.
  - On time and accurate response to quality issues, including plant visits per Track's request.
  - On time and accurate documentation, as required by Track (i.e. SPC, certifications, invoices, packing slips, etc.).
  - EXAMPLE: A supplier fails to submit PPAP on-time for the latest engineering change. The supplier's score for this example is 20 points.
  - NOTE: This category can be used at the discretion of Track Corp to cover situations of a severe nature (i.e. shutting Track down).
  - The following table outlines the service / responsiveness occurrences and their scores:

Service Occurrences	Score
0	25
1	20
2	15
3	10
4	5
5 or greater	0