
Supplier Training

Supplier Scorecards



Manufacturers of Controls for Land Based Turbines • Aircraft • Defense • and Oil Industries

TACTAIR

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 are reviewed by Purchasing and Quality and emailed to suppliers quarterly.
- We track % Lot Accepted and % On Time To Promise.
- Additional metrics better breakdown performance trends and 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 97% or greater and Delivery must be 93 % or greater. Some categories of products or long term agreements have higher performance requirements that will be listed on your scorecard.
- 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 is grouped 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.**
- 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.
- The Detail report lists all the rejections for the 4 quarters. It also tracks CAR due dates, response date and date closed.
- SDWRs are not included in % Lot Accepted, but are tracked separately for visibility. A detail report is also provided.



Quality –DMRs

- We group DMRs into different defect categories to help us identify and address systemic issues.

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



Quality – SDWRs

- 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 continuous 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 measure OTD to your original promise date and or acknowledgement.
- 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).
- The detail report lists all late orders but only those that are 5 working days late or greater impact your delivery score. If you ship separate lots each lot is counted.
- We do not double penalize you for rejected parts.
- We want to understand the reasons behind late deliveries to improve this metric.



≡ Delivery – Gated Parts ≡

- Gated parts are critical delivery parts usually the longest lead-time parts in an assembly.
- We will work with you to reduce your standard lead-time for these parts.
- Special lead-times are set up and will be noted on our purchase orders and referenced on this detail report.
- Reduced lead-times will allow us to quote shorter assembly lead-times to our customers.



Flexibility

Our Auto-email Open Order status reports are sent weekly. Your prompt return is critical to our production planning. E-mail your response to purchasing@tactair.com or purchasing@yf.com and copy your buyer. We track your response by percent received.

We rate responsiveness as a team subjectively. We are sharing this feedback with you for continuous improvement.

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.
- If your overall status is restricted you need to provide us feedback for any issues that occurred in the current quarter: reasons for late deliveries and quality issues and advise any internal prevention measures implemented to prevent reoccurrences.
- Provide updates to your buyer within 2 weeks of receipt. Also include updates on current lead-times, capacity and company personnel changes.
- Show continual improvement in performance results.



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Training Complete

Thank you

