



# **SUPPLIER MANUAL**

## **Quality Policy**

***Prettl, Kurz Kasch is committed to providing our Customers with quality products. We will develop, maintain and continually improve our quality systems to ensure Customer Satisfaction.***

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## **1.0 Introduction**

### 1.1 Scope

This document applies to all Prettl, Kurz Kasch suppliers of production components, materials and products. Supplier quotes must be made with full compliance to this manual unless deviations are documented and approved. Acceptance of the Purchase Order signifies acceptance of the PO conditions and those outlined in this Supplier Manual.

### 1.2 Purpose

The purpose of this document is to communicate Prettl Kurz Kasch supplier quality requirements. It is the responsibility of our suppliers to provide components or materials that are in conformance with our engineering specifications and quality standards

### 1.3 Operating Philosophy and Commitments

Prettl, Kurz Kasch is committed to total customer satisfaction. Therefore, a total commitment from our supplier's top management to support their quality management systems is required. The supplier shall have a quality management system that ensures the following commitments;

- The commitment to comply with and maintain certification to the ISO 9001 QMS standard. This is a minimum requirement for "Approved Source" status. Certification to TS 16949 or the replacement standard IATF 16949 is preferred.
- The commitment to continuous improvement and 0 PPM targets.
- The commitment to develop and maintain contingency plans to protect the supply of materials and components to Prettl, Kurz Kasch during down times due to equipment failure, material shortages, natural disaster or scheduled operational shutdowns.
- The commitment to adopting these 14 Quality Principles:
  1. **Visualization of Customer claims.** Customer Complaints shall be posted at the source and reviewed with all affected Team Members.
  2. **Escalation for Quality Deviations.** Team Members have the authority to stop and notify Supervision or Quality when defects or rework exceeds established limits.
  3. **Operation Instructions.** Detailed instructions for manufacturing, inspection, testing and safety are available for all operations.
  4. **Process Parameters.** Processing Parameters are established, documented and verified to ensure product quality and capability.
  5. **Inspection and Testing Systems.** Inspection and Testing is defined and adequate to ensure quality, reliability and safety through the product life cycle. Test Equipment and gages are defined and calibration is maintained to ensure accuracy.

6. **Check the Checker Systems.** Equipment used to approve product is verified to known standards and masters. Layered Process Audits should ensure compliance.
7. **Maintenance Standards.** A Preventive and Proactive Maintenance System is implemented for each manufacturing station.
8. **Tool Life Standards.** Normal Tool Life Cycles have been determined and there is a preventive maintenance system to replace them before failure.
9. **Restart of Equipment Controls.** There are clearly defined standards for the restart of equipment after disruptions. These standards include the handling of startup parts.
10. **Labeling and Identification Systems.** There are standards for identifying and labeling parts and components. Red – Yellow – Green status systems should be used to prevent unintended use.
11. **Scrap Standards.** There are standards for the proper handling of rework and nonconforming product and components. Scrap is locked to prevent unintended use where appropriate.
12. **Dropped parts protection systems.** All parts that are dropped on the floor or into a machine and the quality status is uncertain are considered scrap and handled according to a standard.
13. **Correct Product Controls.** There is a standard that ensures that only the correct product is available for production.
14. **Left Over Parts Controls.** Parts and components that remain unused at the end of a production run are properly identified and properly stored to prevent unintended use.

## **2.0 General Requirements and Responsibilities**

### 2.1 Responsibilities

Suppliers are fully responsible for the quality, quantity, and delivery of products, materials or components to Prettl, Kurz Kasch.

### 2.2 Tooling

Dimensional issues, deviations and discrepancies with print specifications shall be resolved prior to cutting tooling steel and acceptance of the PO. The supplier is responsible for ensuring that all print specifications are met. Any modifications to meet print specifications after the acceptance of the PO are at the supplier's expense. The supplier will maintain the tool for the life of the program at the supplier's expense unless negotiated prior to acceptance of PO or Job.

### 2.3 Cost Recovery

Expenses incurred due to a line shutdown, efficiency loss, customer rejection, or an increase in scrap at Prettl, Kurz Kasch due to the supplier not meeting delivery agreements or because of quality rejections are the supplier's responsibility.

## 2.4 Product Certification

The supplier shall certify dimensional, performance and visual inspection criteria as documented in product drawings, control plans and specifications. This certification shall accompany each shipment to Prettl, Kurz Kasch unless otherwise agreed upon.

The supplier shall ensure that all supplied products, materials and components comply with all statutory and regulatory requirements of the country of receipt and the country of shipment.

## 2.5 Corrective Actions

The supplier shall provide Corrective and Preventive Action reports for Non-Conformities, Product Rejects and Delivery issues as requested by Prettl, Kurz Kasch. The 8D methodology is preferred.

## 2.6 Subcontractor Control

The supplier has the responsibility for assuring that each of their suppliers has the capability of processing material to the required specifications prior to placing business. The supplier should have a documented subcontractor quality management program which shall be available for review upon request.

## 2.7 Records

Quality Records that verify conformance to the requirements shall be retained for a three year minimum unless otherwise specified by Prettl, Kurz Kasch.

## 2.8 Packaging, Labeling and Traceability

Packaging shall be sufficient to properly protect the product from damage and deterioration as agreed upon by Prettl, Kurz Kasch.

Labeling shall ensure proper identification and lot traceability.

## 2.9 Process Change Control

Changes to the supplier's process and its controls as documented and approved through the PPAP process requires advance notice and approval from Prettl, Kurz Kasch.

Examples of process changes including but not limited to the following:

- Any change in tooling or equipment originally approved by the customer.
- Any change in manufacturing process or process flow.
- Change in manufacturing location, either within the present facility or movement to a different facility.
- Change in design or specification.
- Change in suppliers or subcontractors.

### **3.0 Manufacturing Process Control**

The supplier shall establish and document the process flow and inspection and testing requirements as well as risk assessments and preventive actions as part of their Quality Management System. The required QMS documents include Flow Diagrams, Control Plans and Failure Mode and Effects Analysis.

#### **3.1 Process Flow Diagram**

The Process Flow Diagram describes the processes and indicates inspection points used in the manufacture and validate products, materials and components and is submitted to Prettl, Kurz Kasch as part of the PPAP sample submission.

#### **3.2 Failure Mode and Effects Analysis (FMEA)**

The Process FMEA documents the potential failures as well as any preventive actions to minimize the risks associated with the manufacturing processes. The Design FMEA documents potential failures and the preventive actions to minimize the risks associated with product design and function in cases where the supplier is responsible for the design. FMEAs are submitted to Prettl, Kurz Kasch, as requested, during development stages and as part of PPAP.

#### **3.3 Control Plan**

The Control Plan documents all inspection and testing processes associated with the manufacture of products, components and materials. Critical and Significant Characteristics are indentified with special designation. The Control Plan includes inspection and test frequency, sample size and reaction plans. Control Plans are submitted to Prettl, Kurz Kasch, as requested, during development stages and as part of PPAP.

#### **3.4 Measurement Systems Analysis (GR&R)**

Measurement systems analysis shall be performed on all gauges or measurement equipment used to verify critical characteristics. GR&R error should be less than 10%. A GR&R error between 10% and 20% may be acceptable depending on the application and if approved by Prettl, Kurz Kasch. The GR&R study shall accompany the PPAP sample submission.

#### **3.5 Process Capability**

Suppliers shall perform statistical studies on operations that affect designated critical control characteristics. The supplier shall maintain records and submit data as required. Once process capability has been established, the supplier should use statistical process control methods for all critical characteristics. The methods used for critical characteristics shall incorporate the use of variable data or 100% inspection for attribute data. Suppliers shall maintain all statistical data for critical characteristics.

Process Potential (Short Term Study) The process potential will be considered acceptable if a Ppk value  $\geq 1.67$  is demonstrated.

Process Capability (Long Term Study) Prettl, Kurz Kasch criterion for proof of process capability is a Cpk value  $\geq 1.33$ .

The supplier shall provide Statistical Capability data for critical characteristics when required by the PO or print specifications.

#### **4.0 Production Part Approval Process**

##### **4.1 Initial Sample and First Article**

Initial samples of manufactured parts or raw material shall be furnished to Prettl, Kurz Kasch for approval before production shipments can be made. PPAP is required for;

- New part.
- New process.
- Change in process, tooling or material.
- Change in design or specification.
- Change in sub-contractor or sub-contractor process.
- Change in manufacturing location.

If any of the preceding circumstances are anticipated, it is the responsibility of the supplier to notify Prettl, Kurz Kasch Quality when such changes will occur. By default, a full level 3 PPAP will be required for any of the preceding circumstances. Any deviation from a full level 3 PPAP must be reviewed and approved by Prettl, Kurz Kasch Quality. Prettl, Kurz Kasch Quality will furnish specific sample sizes and further define requirements for approval for each change. Samples are to be clearly marked and shall be submitted to the Quality Department.

Annual re-certification is required for all supplied parts unless specified otherwise in writing from Prettl, Kurz Kasch. The data may be requested by Prettl, Kurz Kasch. Any requirements found to be out of specification during the annual re-certification shall be immediately reported to Prettl, Kurz Kasch for direction on corrective action.

##### **4.2 Initial Sample Approval**

Prettl, Kurz Kasch shall perform evaluation of the initial samples. Approval of samples will be communicated to the supplier. Total approval is required prior to tooling payment.

Notification of rejection of the initial samples will be communicated to the supplier. Test data and rejected samples will be available upon supplier request. The supplier will be required to resubmit samples after evaluating the discrepancies and taking the appropriate corrective action.

## **5.0 Supplier Evaluations and Audits**

### 5.1 Prettl, Kurz Kasch Audits and self Evaluations

Prettl, Kurz Kasch will evaluate key suppliers through Self Evaluations and/or on site QMS audits once every three year period. These QMS audits may be in the form of IATF16949, VDA or 14 Quality Principles. In addition, Prettl, Kurz Kasch may request to conduct Control Plan or FMEA Audits.

### 5.2 Customers

Prettl, Kurz Kasch suppliers may be subject to audit or evaluation by Prettl, Kurz Kasch customers.

### 5.3 Monitoring

Prettl, Kurz Kasch monitors supplier delivery and quality performance. Suppliers with ratings below 89% will be notified and corrective actions will be requested.

## **6.0 Material Composition Reporting**

### 6.1 IMDS

The purpose of IMDS is to ensure suppliers of automotive products or components document the material composition of the products supplied to Prettl, Kurz Kasch and provided as part of the PPAP.

Suppliers are expected to be registered on the International Material Data System (IMDS) at [www.mdssystem.com](http://www.mdssystem.com). All material and components that are supplied to Prettl, Kurz Kasch must be submitted by the supplier on this website to Prettl, Kurz Kasch, Inc.

Prettl, Kurz Kasch Facility ID number: 30214

All suppliers must be Reduction of Hazardous Substances (RoHS) compliant. Proof of compliance shall be submitted to Prettl, Kurz Kasch

### 6.2 RoHS

All suppliers must be Reduction of Hazardous Substances (RoHS) compliant. Proof of compliance shall be submitted to Prettl, Kurz Kasch



**7.0 Revision History**

<b>Revision Date</b>	<b>Change Location</b>	<b>Change Made</b>
3/19/14	2.1	ADDED: Delivery will be considered on time as long as it arrives no more than two working days prior to or zero working days after the requested delivery date. In addition, on time delivery is also shipping the proper number of pieces ordered and not exceeding the ordered amount by more than 10%. A total monthly performance rating of less than 89% is considered unacceptable. Suppliers with unacceptable ratings will be notified on a monthly basis in an effort to resolve the issue.
3/19/14	Cover Page	UPDATED: KK quality policy
3/19/14	2.5.5	CHANGED: not meeting blanket order stock quantities to not meeting delivery quantities
3/19/14	Kanban	CHANGED: faxed to the supplier to faxed or emailed to the supplier
3/19/14	2.5.1	REMOVED: See Addendum A for a full list of PO terms and Conditions. ADDED: See Purchase Order Terms and Conditions listed on www.Prettl, Kurz Kasch.com.
3/19/14	2.5.5	CHANGED: material scrap – raw, or finished, customer support related costs. To material scrap (raw or finished), and customer support
11/22/16	2.2.2	ADDED: Self Assessments or On Site QMS audits every three year period
7/28/17	Entire document	Simplified and IATF updates