

# Olin Brass Standard Work Instruction

## SUPPLIER QUALIFICATION/ SUPPLIER EVALUATION

SUPPLIER QUALITY  
ASSURANCE MANUAL

5.1

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Date: 08/17/15

Scope: To provide a procedure for qualifying and evaluating Critical to Quality Suppliers (Olin Brass internal, refer to controlled list)

### ITEMS NEEDED:

Purchasing database; Vendor Performance Report	Supplier Quality Assurance Manual	Supplier CAN system output
Critical to Quality Supplier List		

### DEFINITIONS:

**Critical to Quality Supplies** - A key critical product that is supplied to Olin Brass that either goes into our product (raw materials) or aids in the manufacturing of our product by directly affecting the quality of the product. The determination of a "Critical to Quality" supply is made jointly by Purchasing, Quality, Manufacturing, Engineering, and other related departments

**Supplier** – A company that provides materials to Olin Brass

### PROCEDURE:

1.0		<b><u>SUPPLIER STATUS</u></b>
1.1	<b>NEW SUPPLIERS</b>	<p>Suppliers are to be assessed by Purchasing, Process Engineering and/or the Quality department. This assessment may take the form of a trial lot evaluation, an on-site assessment or a Supplier self-assessment.</p> <p>Delivery and price will also be a major consideration in selecting supplier but will not override quality considerations.</p> <p>If a supplier is ISO 9001 certified, they can be automatically approved to begin supplying product.</p> <p>After the assessment takes place and the supplier is approved, they will be added to the Purchasing database.</p>

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1.2	<b>EXISTING SUPPLIER</b>	<p>Existing suppliers will be expected to maintain high levels of quality and on time delivery.</p> <p>If an existing supplier has quality or delivery issues that cannot be resolved or is not showing improvement, Purchasing may determine that it is necessary to identify approval of new suppliers to provide the supply in question.</p> <p>For those suppliers that are not ISO certified, an on-site audit shall be conducted, at a maximum, every three years to re-qualify them as an approved supplier.</p>
2.0		<b><u>SUPPLIER EVALUATION SCORECARD</u></b>
2.1	<b>General</b>	<p>Performance ratings will be maintained by the Purchasing Department for each specified supplier.</p> <p>On a yearly basis, Vendor Performance Reports will be calculated and the results will be mailed to the appropriate suppliers.</p>
2.2	<b>Scoring</b>	<p>Rating calculations based on a combined score for delivery and quality to equal to a total possible score of 100%.</p> <p><u>Delivery Rating</u> = Deliveries received on-time divided by deliveries due this period (% received on time).</p> <p><u>Quality Rating</u> = Deliveries due this period minus returns for poor quality, divided by deliveries due this period.</p> <p><b>OVERALL RATING = Delivery rating plus Quality Rating divided by 2</b></p> <p>Critical to Quality suppliers are required to have an overall rating of a minimum of 90%.</p>

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2.3	<b>Corrective Action Requirements</b>	<p>If the Supplier falls below 90%, they will be required to submit a corrective action plan to bring their rating value back above 90%.</p>
2.4	<b>Supplier Score Response Expectations</b>	<p>Those suppliers falling below the minimum rating requirement noted in section 2.3 above will be required to submit a corrective action response within 30 days of receiving the scorecard. The response must include the following information:</p> <ul style="list-style-type: none"> <li>• Name and Title of person responding to CA request</li> <li>• Problem description in suppliers words</li> <li>• Root Cause</li> <li>• Corrective Action including estimated completion date</li> </ul> <p>Supplier can utilize their own form if all bullets are covered, if needed Form 5.1.1 can be utilized.</p> <p>If supplier has previously responded in writing on the area of concern causing the low score and the problem has been properly contained and eliminated, an additional response is not required.</p>