

SUPPLIER SITE SURVEY - PURCHASING

Supplier:
Site Address:
Site Review Attended by:
Site Review Scored by: Date:

	Possible Rating		Actual Rating		Notes:
1 QUALITY	30		0		
1.01 Quality Policy / Corporate Commitment					
1.02 ISO 14001 Certified / TS1649 Certified					
1.03 Delivery Defects PPM for customer	6		0		
1.03.01 Is the defect PPM for the product line under consideration and for all customers within the target range established? Score 2 for meets or exceeds target, or 1 for within 2% of target	2				
1.03.02 Is the average defect PPM for the product line under consideration within the target range established? Score 2 for meets or exceeds target, or 1 for within 2% of target	2				
1.03.03 Is the average defect PPM for all similar product lines within the target range established?	2				
1.04 Internal Defect Management (yield ratio)					
1.04.01 Is the internal defect rate tracked and reviewed against a target or goal on a periodical basis including review by management and operators?	Y/N				
1.04.02 Is there a formal program for reducing the internal defect rate and evidence of improvement within the last year?	Y/N				
1.04.03 Is there an effective communication system in place to communicate the major causes of internal defects and an effective forum for presentation of improvement ideas?	Y/N				
1.04.04 What is the ranking of the major causes of internal defects from highest to lowest? Equipment, Tooling, Raw Materials, Standardized Work, Training, Handling, etc?	Y/N				

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1.05	Initial Flow Management for New Products		4		0	
1.05.01	Is there a formal documented program for following the progress of the launch of a new program and does it include an open items list?	1				
1.05.02	Is there a standard check list for following the progress of the launch of a new program that ensures the customers expectations are met for quality, cost, development of the product, and delivery dates?	1				
1.05.03	Is there a formal documented inspection of the process and the resulting parts conformance to the print from 1st run through SOP?	1				
1.05.04	Is there a documented run-at-rate including yield ratio in the initial flow process?	1				
1.06	Lot Control					
1.06.01	Is the process flow efficient, well defined, and supports FIFO and lot control?	Y/N				
1.06.02	Is raw material container and storage labeling consistent and adequate to insure FIFO and proper delivery to the process?	Y/N				
1.06.03	Is WIP container and storage labeling consistent and adequate to insure FIFO and proper delivery to the process?	Y/N				
1.06.04	Is the Finished Goods storage area & system adequate for the material and supports FIFO and lot control?	Y/N				
1.06.05	Is Finished Goods labeling consistent and adequate to insure FIFO and proper shipment to the customer?	Y/N				
1.06.06	Is there a system in place that allows traceability from the lot number on the finished goods back to the process, machine, operator, and raw material?	Y/N				
1.06.07	Is the system of traceability designed to minimize the number of suspect parts to the smallest variable?	Y/N				
1.06.08	Are records archived in a readily accessible form to allow traceability answers within 24 hours (1 working day)?	Y/N				

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	Possible Rating		Actual Rating		Notes:
1.07 Quality Standards & Rules for Operations & Measurements		10		0	
1.07.01 Are there well documented standards for operations and measurements which are clear, concise, and located in an area that is appropriate for constant use?	1				
1.07.02 Are processes and materials well identified so that it is obvious to which processes they have come and to which they are to flow?	1				
1.07.03 Is there visual evidence that materials are approved for use, for example "approved for use" labeling that is visually obvious to the operators so that no non-conforming materials can enter the process?	1				
1.07.04 Are goods quarantined for inspection identified for the following and secured so they cannot reenter the process before re-certification to use? Date of quarantine Reason material may be suspect Process it came from and or process where it should re-enter if approved Date resolution is to be complete	1				
1.07.05 Do package sizes and material handling systems / equipment combine to efficiently feed the production process and maximize employee safety?	1				
1.07.06 Are storage and process areas well identified including environmental condition requirements (i.e. temp / humidity) so as to maintain the integrity of the materials?	1				
1.07.07 Is there documented evidence that internal audits are conducted, recorded, and corrective actions followed up and satisfactorily completed?	1				
1.07.08 Is there a system in place that tracks investigations of non-conforming material?	1				
1.07.09 Does labeling exist to clearly identify material as non-conforming and isolate it's investigation status?	1				
1.07.10 Is there a designated area properly identified / signed to place non-conforming material and isolate it from current production?	1				

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		Possible Rating		Actual Rating		Notes:
1.08	Management of Measurement Devices		5		0	
1.08.01	Is there a formal program detailing the use of gages and measurement devices including responsibilities for design, fabrication, sourcing, use, care, maintenance, and calibration?	1				
1.08.02	Is there a documented program for gage calibration that ensures gages are checked according to a prescribed schedule and gages appropriately labeled as to their inspection status?	1				
1.08.03	Are gages poky-yoked to ensure proper use and results?	1				
1.08.04	Are gages tagged and identified so as to ensure proper use (how, when, where, why, by whom)?	1				
1.08.05	Do operator work instruction exist for the use, care, and calibration of the gages and measurement devices	1				
1.09	Supplier Out-Source Quality Control					
1.09.01	Does a formal program exist to qualify a sub-supplier including investigation of quality defect PPM's, on-time delivery, cost competitiveness, logistics, packaging, capacity, and financial ability?	Y/N				
1.09.02	Is there an approved supplier list that is reviewed and updated at least annually?	Y/N				
1.09.03	Does a formal program exist to track the performance of sub-suppliers including quality defect PPM's, on-time delivery, cost competitiveness, and capacity?	Y/N				
1.10	Internal Training Program		5		0	
1.10.01	Is there a formal training policy and program that ensures that each employee is trained and training is assessed for each process?	1				
1.10.02	Are training records easily accessible to validate an individuals status with regard to each process for staffing purposes?	1				
1.10.03	Do written instructions exist for all parts and processes and are they readily accessible to the persons performing those processes?	1				
1.10.04	Does audit evidence exist to insure consistency between procedure and actions?	1				
1.10.05	Do work instructions show evidence of review and improvement within the last year?	1				

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2	COST	25	0	
2.01	Corporate Mission Policy / Motto	6	0	
2.01.01	Is the corporate Mission Policy or other such statement written so it is clear the company has a goal to be an efficient, cost effective, quality supplier of the goods and/or services being sought?	1		
2.01.02	Is the corporate Mission Policy or other such statement consistent with the observations of the operations?	1		
2.01.03	Do the employees appear to have an awareness of and appreciation for the corporate Mission Policy?	1		
2.01.04	Does the management of the facility appear to have the support and authority to operate the facility in accordance with the corporate Mission Policy?	1		
2.01.05	Are Company payment terms equal to or better then payment terms given by the Customer or 60 days (which ever is longer)?	2		
2.02	Cost Reduction Activity	5	0	
2.02.01	Is there a formal cost reduction program including goals, periodic reviews, and recognition for achievement of goals?	1		
2.02.02	Is there documented evidence of an ongoing scrap rate reduction program that has existed for more than 1 year and is the current scrap rate equal to or better than average for the industry / process? Additionally are the actions consistent with the goals and are the goals achievable?	1		
2.02.03	Is there documented evidence of an on-going formal program to review internal costs and show improvements for the past 3 years?	1		
2.02.04	Is there documented evidence of cost analysis and cost reduction of raw materials?	1		

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	Possible Rating	Actual Rating	Notes:
2.02.05 Are there poky-yoke devices / systems effectively utilized throughout the process?	1		

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		Possible Rating		Actual Rating		Notes:
2.03	Purchasing ability for Material / Part / Machines					
	2.03.01 Does the facility have the ability to effectively, and efficiently purchase equipment and tooling required for the processes?	Y/N				
	2.03.02 Does expertise reside within the facility to make effective assessment of equipment capacity, capability and future technology needs?	Y/N				
	2.03.03 Does the facility have the authority to purchase the parts and materials required for the processes?	Y/N				
	2.03.04 Does the facility have an efficient process / system to predict and purchase the materials and parts necessary to maximize the efficiency of the manufacturing / inventory control process and meet customer demands?	Y/N				
	2.03.05 Is there Corporate support for the purchasing ability of material, parts, and machines both financially and technically?	Y/N				
	2.03.06 Does the Company have a formal program to assess world markets of raw materials and component parts to ensure consistent supply and cost effectiveness?	Y/N				
2.04	Standardized Work		5		0	
	2.04.01 Does the facility utilize a philosophy of standardized work to minimize defects, handling damage, and injury and to promote processing efficiency?	1				
	2.04.02 Do standardized work instructions exist in each work area and are workers observed referring to and following these instructions?	1				
	2.04.03 Do the standardized work procedures appear to be efficient and maximize opportunities for cost reduction?	1				
	2.04.04 Does the standardized work fully utilize cost efficient technology?	1				
	2.04.05 Is the work flow free of bottlenecks?	1				

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2.05	Setup time		5		0	
2.05.01	Has the set up process been studied for maximum efficiency and consistency?	1				
2.05.02	Are set up times reasonable (compared to other companies performing the same or similar processes)?	1				
2.05.03	Have set ups been established to maximize cost efficiency with regard to inventory, capacity, customer order fluctuation, and tool / equipment maintenance?	1				
2.05.04	Is set up time predictable, consistent, and repeatable?	1				
2.05.05	Is there sufficient trained personnel on each shift to perform setups?	1				
2.06	Direct / Indirect Ratio		4		0	
2.06.01	Is the Direct to indirect ratio of labor costs appropriate for the current business?	1				
2.06.02	Is there a formal program to track the direct to indirect ratio against established goals and future growth.	1				
2.06.03	Is there a formal program to assess productivity against established goals and to track improvements?	1				
2.06.04	Is the direct cost vs. indirect cost equal to or better than industry average for businesses in the same type business.	1				
2.07	Equipment Investment Status					
2.07.01	Is the supplier properly invested in equipment for the current and immediate future business plan?	Y/N				
2.07.02	Does the supplier have physical plans and financial ability to increase the equipment investment in an acceptable length of time should additional capacity be required?	Y/N				
2.07.03	Is the technology of the equipment appropriate for the process and the parts being produced?	Y/N				

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		Possible Rating		Actual Rating		Notes:
2.08	Plant Layout					
2.08.01	Is the plant laid out in a manner to maximize efficiency of process flow? (vs. evolution of addition without plan or change of existing layout)	Y/N				
2.08.02	Is the plant clean, well lit, well signed, and does there appear to be a culture of neatness and order conducive to producing high quality products?	Y/N				
2.08.03	Is there reasonable room for expansion of equipment and / or facility if business should warrant?	Y/N				
2.08.04	Is the plant layout conducive to safe operations and reasonably safe from natural disaster?	Y/N				
2.08.05	Does the plant appear to be in compliance with Federal, State, and local laws and regulations?	Y/N				
2.09	Operational Ability					
2.09.01	Does the facility appear to be properly staffed, equipped, and located so as to produce a cost efficient product?	Y/N				
2.09.02	Is there a sufficient labor pool in the area and are the wages offered sufficient to attract the caliber of talent required to continuously and consistently operate the facility?	Y/N				
2.09.03	Is the turnover rate of manufacturing staff sufficiently low to ensure a properly trained work force and consistent operations?	Y/N				
2.09.04	Are there enough resources (machines, personnel, materials, utilities, etc.) to handle a 30% increase in volume on little (2 day) notice? What is the limiting factor?	Y/N				
2.09.05	Are the utilities in the area reliable and sufficient to maintain the operations without restriction?	Y/N				
2.09.06	Is there evidence of coordination between the goals of the purchasing / inventory management area and the production flow process to aid in the overall efficiency of the operation?	Y/N				

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3	DELIVERY	25	0	
3.01	Own Production System			
3.01.01	Has a production system been developed by the company that promotes efficient run sizes, consistent yield, and consistent quality?	Y/N		
3.01.02	Is the system documented and the manufacturing employees trained?	Y/N		
3.01.03	Is the production system modeled after any other proven system?	Y/N		
3.01.04	Does the production system maximize flow, employee safety, and prevent mixing or contamination of the parts being produced?	Y/N		
3.02	Production System	5	0	
3.02.01	Does the production system utilize kan-bans and/or a pull system based on customer demand?	1		
3.02.02	Are lot sizes minimized to gain flexibility and shorten lead times?	1		
3.02.03	Does the production process pull finished goods at a rate equal to the sales rate to minimize inventory and to operate JIT?	1		
3.02.04	Is the production system laid out connecting the processes in the process flow end to end?	1		
3.02.05	Is there documented evidence of historical and on-going Kaizen / Jishuken type activities?	1		
3.03	Production Capacity by Equipment	5	0	
3.03.01	Is each piece of equipment operating at near optimum capacity when running?	1		
3.03.02	Have bottlenecks in the process due to lack of equipment or equipment not running efficiently been eliminated?	1		
3.03.03	Does the technology of the equipment support the manufacturing process with regard to minimizing labor, maximizing employee safety, and	1		
3.03.04	Is there a formal review by management of capacity planning with regard to customer demand and market movement?	1		
3.03.05	Is there a formal program to record and review machine up-time and productivity by product line and process?	1		

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3.04	Preventive Maintenance	4	0	
3.04.01	Does the technology of the equipment being utilized appear appropriate for the products being produced including proper safeguards and does the equipment appear to be properly maintained within a documented and compliant PM system with a focus on continuous and safe operations?	1		
3.04.02	Does the preventative maintenance system record scheduled due dates, actual completion of the work, and any major repairs or abnormalities?	1		
3.04.03	Does the PM system include tooling as well as the equipment and does the system ensure tools are available for production's use including unexpected order fluctuation?	1		
3.04.04	Is there a formal program to review the effectiveness of the PM program with regard to equipment & tooling capacity and to present ideas for improvement?	1		
3.05	Troubleshooting Ability for Equipment	5	0	
3.05.01	Are there trained persons within the facility that can diagnose major problems with the equipment?	1		
3.05.02	Are there trained persons within the facility that can repair major problems with the equipment?	1		
3.05.03	If a piece of equipment is down for several days or the length of time to make a major repair, can all customer shipments still be met?	1		
3.05.04	Is there a formal program of steps for troubleshooting equipment problems?	1		
3.05.05	Is there a management review of major repairs to equipment and assessed dependability status of the equipment?	1		
3.06	Regulatory / Law Compliance			
3.06.01	Does it appear the facility is in compliance with applicable laws and industry regulations including health and safety markings, inspection permits, etc.?	Y/N		
3.06.02	Does the Company's mission / vision statement address the commitment of compliance to the laws and regulations governing the operation?	Y/N		

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		Possible Rating		Actual Rating	Notes:
3.06.03 Are there notices prominently displayed or distributed advising employees of their rights and obligations?	Y/N				

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3.07	Flexibility for Order Fluctuation	6	0	
3.07.01	Is the order handling/ processing system capable of reacting immediately to customer order changes without special phone calls or notices from the customer?	1		
3.07.02	Does the order handling / processing system effectively connect with the production system to allow for appropriate production changes to meet the customer's changing needs while minimizing inventory?	1		
3.07.03	Is the production system effectively responsive so as to meet customer order fluctuations while minimizing inventory?	1		
3.07.04	Does the order handling / processing system effectively connect with the MRP system to ensure proper action to allocate all materials required for production in order to meet the customer's changing needs.	1		
3.07.05	Does the company's order handling / processing system effectively connect with the shipping system to ensure that the customer's most recently issued release is prepared for shipment?	1		
3.07.06	Does the Company have the ability to accept EDI releases compatible with our system?	1		
3.08	Inventory Management / Standard Inventory Level			
3.08.01	Is there a formal program for analyzing inventory needs and minimizing inventory levels with regard to customer order fluctuations, equipment dependability, and raw material lead times?	Y/N		
3.08.02	Is there a formal system to review the inventory levels or raw materials, WIP, and Finished Goods against goals?	Y/N		
3.08.03	Is inventory maintained in an organized, designated, and well signed area so as to prevent mixing or contamination and to promote consumption by FIFO?	Y/N		
3.08.04	Is there a system that visually indicates the current inventory level against standard inventory?	Y/N		
3.09	Logistics (Urgent Transportation Ability)			
3.09.01	Is there an established flow or plan for urgent shipment / delivery of finished goods for each customer?	Y/N		
3.09.02	Is there an established flow or plan for urgent shipment / delivery of raw materials or components from each supplier?	Y/N		

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	Possible Rating	Actual Rating	Notes:
3.09.03 Is there a formal program to approve and track use of expedited freight for customer deliveries?	Y/N		

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3.10 Status of Work / Accident / Natural Disaster Prevention						
3.10.01	Does the facility have an emergency recovery plan in case of industrial or natural disaster?	Y/N				
3.10.02	Does the facility have a program to review accidents and potential for natural disasters and to develop preventative programs?	Y/N				
3.10.03	Is the history of work accidents clear of any fatal accidents within the last 3 years?	Y/N				
3.10.04	Is the history of work accidents clear of any "serious accidents" as classified by OSHA?	Y/N				
4 DEVELOPMENT			8		0	
4.01 Corporate Mission / Policy / Motto						
4.01.01	Does the Corporate Mission / Policy / Motto depict the Company's commitment to development of processes, products, and employees.	Y/N				
4.01.02	Does the Corporate Mission / Policy / Motto depict the Company's commitment to it's investor's?	Y/N				
4.01.03	Does the overall management of the company appear to be consistent with the Company's Mission / Policy / Motto with regard to future development?	Y/N				
4.02 Engineering / Equipment / Technical Level						
4.02.01	Do resources exist within the facility that can further the development of the design and engineering of the processes and tooling?	Y/N				
4.02.02	Do resources exist within the facility that can join with our company to develop a more cost efficient and effective product?	Y/N				
4.02.03	Do resources exist at the Corporate level that can assist the plant in further development of the design and engineering of the processes and tooling?	Y/N				
4.02.04	Do resources exist within the Corporation that can join with our company to develop a more cost efficient and effective product?	Y/N				
4.02.05	Does the Company have an on-going program to assess the production process design / flow and make changes to improve productivity, inventory reduction, cost reduction, etc?	Y/N				

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4.03	Prototype Capability		4		0	
4.03.01	Does the facility have prototype capability (vs. elsewhere in the Corporation or out-sourcing)?	1				
4.03.02	Does the facility have ability to produce prototype tools (vs. elsewhere in the Corporation or out-sourcing)?	1				
4.03.03	Does the lead time for prototype production meet our requirements?	1				
4.03.04	Does the Corporation have prototype tooling and prototype part production capability?(vs. elsewhere in the Corporation or out-sourcing)	1				
4.04	In-House Equipment / Tooling Capability					
4.04.01	Does the facility have the ability to design and produce dependable, cost effective, production tooling (vs. elsewhere in the Corporation or out-sourcing)?	Y/N				
4.04.02	Does the Corporation have the ability to design and produce dependable, cost effective, production tooling (vs. out-sourcing)?	Y/N				
4.04.03	Does the Company have the ability to utilize or develop technology to further equipment and / or tooling design to meet future needs for part design, cost efficiency, and production efficiency?	Y/N				
4.04.04	Are the Company's sources of equipment and tooling well established and dependable sources?	Y/N				
4.05	Simultaneous Purchasing / Production Design Capability		4		0	
4.05.01	Does the company have the ability and resources to work with our company in developing the design of the part?	1				
4.05.02	Does the proximity of the Company's design resources make for efficient and effective communications with our design group(s) and the manufacturing facility?	1				
4.05.03	Does the proximity of the Corporate design resources make for efficient and effective communications with our design group(s) and the manufacturing facility?	1				
4.05.04	Does the company have sufficient interest in expanding to work with our company's manufacturing plants to aid development of parts and processes?	1				

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5	MANAGEMENT	12	0	
5.01	Capital / Annual Turnover	4	0	
5.01.01	Is there a formal program to review the facilities ROI against established goals?	1		
5.01.02	Is the facilities ROI indicative of a stable and growth oriented portion of the overall Company?	1		
5.01.03	Is the total Company's ROI indicative of a Corporate profile of stability and growth?	1		
5.01.04	Is there a long term ROI plan that supports stable growth with in the industry?	1		
5.02	Stability of Management	4	0	
5.02.01	Does the management of the facility appear to have the authority and responsibility to effectively operate the facility and make necessary changes to ensure a cost efficient, quality operation?	1		
5.02.02	Does the facility appear to have strong Corporate support allowing utilization of technology, legal, HR, financial, etc. resources?	1		
5.02.03	Is the management style observed strong, yet interdependent upon the supervisors and work force so as to empower personnel to perform to job functions within the stated parameters and aligned with the Company goals?	1		
5.02.04	Does the organizational responsibility of the Company appear to be structured to allow for proper checks and balances of functions and responsibilities?	1		

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5.03	Growth Potential		4		0	
	5.03.01 Is the Company structured, managed, and positioned for expedient growth?	1				
	5.03.02 Is there opportunity for growth within the industry that the Company is positioned?	1				
	5.03.03 Is there a formal plan in place to accommodate rapid growth including physical and financial resources?	1				
	5.03.04 Is the strategy of the company conducive to controlled growth?	1				
TOTAL SCORE						
		100	100		0	
Total Scores above 85 are acceptable for New business, scores below 85 must have an improvement plan in place prior to being awarded New business.						
6	OTHER INFO TO BE COLLECTED					
6.01	Source & country of origin of raw materials					
6.02	Major Product & annual volume (\$)					
6.03	Secondary Product & annual volume (\$)					
6.04	TS/ISO Certificates					
6.05	Annual Report or other documents of Company Goals, Philosophy, Mission, Vision, and Financial Status					
6.06	Organization Chart					
6.07	Equipment List					
6.08	MSDS					
6.09	Process Flow Diagram					
6.10	Control Plan					
6.11	Ownership					
6.12	Certificate of Insurance - Commercial General Liability					
6.13	% Automotive					
6.14	% OE and % OES					

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6.15	% Aftermarket					
6.16	# Employees					
6.17	Labor Union - Affiliation, length of contract, expiration / renewal date					
6.18	Web Site					
6.19	Current Operating days / shifts / hours					