Procedure No.: CQMSP 8.4c – Supplier Guidelines


Purpose And Scope: To define the expectations and requirements for the purchasing contract (purchase order) between PLP and the supplier. This contract must be accurate for pricing, terms, delivery, and quality requirements for goods and services.

Supplier Responsibility And Expectations:

**ACTION**

Quality System
Suppliers are required to establish and maintain a quality system and processes which assure compliance to purchase order requirements.

Inspection Requirements
The supplier shall perform (or have performed) all required inspections necessary to verify that the materials, products, processes, and/or services provided conform to all requirements of the purchase order. PLP drawings will identify critical dimensions on the component via the QC legend. Dimensions labeled as “C” and “V” indicate critical dimension.

Purchase Order Review
The supplier shall review the terms and conditions of the purchase order within 24 hours of receipt to assure that the agreed-upon requirements can be met. Any exceptions to this contract must be communicated to the buyer via fax or email indicating any required changes. Of particular concern are agreed-upon pricing and delivery dates.

Drawing and Specifications Control
The supplier shall assure that any PLP-issued drawings, e-files, specifications, and standards are maintained in a controlled manner.

Supplier Corrective Action Request (SCAR)
The supplier shall establish and maintain a corrective action system to provide prompt and meaningful action to correct adverse conditions which could result, or have resulted in the inadvertent release of non-conforming product or services to PLP. When a formal response is required, PLP will issue a Supplier Corrective Action Request (SCAR) via e-mail or fax that is required to be responded to within a maximum of 30 days or as otherwise specified.
Records

The supplier shall maintain records and data of all inspection-related activities and material certifications for a minimum of five years after delivery date.

Final Inspection and Testing

The supplier shall assure that all final inspection and testing have been completed prior to delivery.

Non-conforming Material

Non-conforming material may not be released to PLP without advanced prior approval from PLP Advanced MRB. Failure to comply with this requirement may result in parts being returned and/or reflected in your Quality rating score. Submitting requests for material evaluation should be considered the exception and not the rule. The supplier is cautioned that acceptance of non-conforming material may affect the supplier’s performance rating.

Supplier can request a deviation in advance of shipping, however, PLP reserves the right to accept or reject non-conforming material.

Quality Audits

The supplier’s quality system is subject to initial and periodic quality audits to be conducted at PLP’s discretion. The purpose of these audits is to evaluate the effectiveness of the supplier’s quality system and the supplier’s capability of providing conforming materials and/or services to PLP.

Certificate of Conformance

Supplier shall provide a Certificate of Conformance when required by the purchase order. See “Records” requirement. Preferred method is via the Advanced Shipping Notice (ASN). Email and facsimile are also approved methods of communication. Failure to comply on a consistent basis will result in a Supplier Corrective Action Required (SCAR). Materials received that are identified as non-conforming will result in a rejection and a MRB (Material Review Board) will be issued.

Delivery Rating

On-time delivery rating is evaluated by the number of receipts zero days late and less than five business days early divided by the total number of receipts. Delivery of product is expected at the PLP location on the date agreed to in the purchase contract.

Delivery Due Date

All references to due date shall be interpreted by the supplier as “At the PLP receiving dock” with all required paperwork. It
is the supplier’s responsibility to notify the PLP buyer if any order or shipment will be late prior to the order’s due date.

Quality Rating
The quality rating is evaluated by the number of parts rejected divided by the number of parts received. For evaluation purposes, if a lot is rejected based on sampling plan criteria the entire lot quantity will be rejected. Our acceptance goal is 100% compliance to quality criteria agreed upon in the purchase contract.

Delivery
Supplier shall assure that all shipments are prepared and transported in accordance with purchase order requirements (if any are listed). All materials must be clean and free of debris and oils that do not enhance product performance in assembly.

First Article Inspection
A first article inspection (FAI) or supplier qualification (SQ) report shall accompany the initial sample lot delivered of each part/revision combination. This report should include the PLP part number, revision level, purchase order number, and actual values obtained during the measurement of all characteristics identified on the drawing or specification. Production deliveries will not be accepted prior to approval of the first article.

Shipment and Delivery
PLP utilizes inbound freight contracts for supplier delivery. Instructions in the purchase contract will guide you to the preferred method of delivery. It is our expectation that you will follow these instructions to minimize our overall cost of material procurement. As mentioned previously, delivery is the date the material or service is expected at the PLP facility.

Shipment Documentation
PLP desires to receive and pay for incoming goods as quickly as possible. In order to do this, we must have all required paperwork accompany the shipment or sent via the Advanced Shipping Notice. Instructions on use of the Advanced Shipping Notice will be sent to you as we specify and use of this process will be explained separately. The Advanced Shipping Notice will be our preferred method of correspondence for shipping documentation.

Drop-shipment Purchase Order Shipment Documentation
Supplier shall provide the following documentation prior to shipment: Certificate of conformance, Material Certifications, and Inspection Reports for all criticals and visuals identified on drawings and specifications. Supplier must receive a release from PLP before shipment.
Supplier Obligations

Must notify PLP if the location of manufacturing has been altered since original component First Article Inspection (FAI) or Supplier Qualification (SQ) approval. Supplier will not make changes to process or material without written approval from a PLP representative prior to making such changes.

In the event of a non-conformity, supplier must authorize a Return Material Authorization (RMA) or approve and compensate for a sort within 48 hrs. of notification of non-conformity.

All returned material will be at the expense of the supplier.