Customer Specific Requirements

Transfer the Customer Specific Requirements to suppliers
GM CG4355 GM 1927 03 SQ Sub Tier Supplier Management Statements of Requirements

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1. Scope

This Customer Specific Requirements Document (CSR) is an integral part of Corporate Supplier Manual (CSM) and aims - defines to transfer the specific and special requirements of the final customer (OEM) and Huf. This document contains the most restrictive requirements that have to be fulfilled by the Huf https://www.iatfglobaloversight.org/oem-requirements/customer-specific-requirements/ The supplier is obliged to sign this document.

This document is intended to be used in conjunction with the CG4338 GM 1927 03 Supplier Quality Statement of Requirements (CG4338 GM 1927 03 SQ SOR). Supplier requirements for management of sub-tier suppliers is defined by this SOR supplement.

Note: GM forms are preferred to use, but no mandatory.

2. Targets

Targets for suppliers (PPM, Logistic Performance, 8D evaluation) are set for all components (material groups) in the Huf Supplier Portal, available on www.huf-group.com website and update annually.

3. Definitions

Supplier: A Direct Supplier to Huf
Sub supplier: Means all the supply chain (suppliers and all sub suppliers).

4. Supplier Management Organizational Structure

4.1. Suppliers with purchased content in their products produced shall have a structure in place to manage purchased part suppliers.

4.2. The organization structure should include supplier quality/development engineers that are properly trained in the various process and systems used for supplier quality management. This includes APQP work, auditing, quality systems expertise and functional expertise for problem resolution. These individuals should also be capable to perform assessments for sourcing of suppliers to assure quality and production requirements can be met.

4.3. The supplier shall have a program management structure that acts as a single point for coordination of new product launches with a high level of purchased sub-tier components.

5. Supplier Selection and Development

5.1. Suppliers shall have a source selection process that comprehends sub-tier capability to meet requirements for purchased parts. This is including, but not limited to technological capability, manufacturing expertise, financial stability, available capacity, resource availability, etc. This process should include an assessment of their quality system capability, preferably performed by a qualified individual in the supplier management organization. Audits conducted for this purpose should be part of the standardized work and the content should be consistent with automotive industry standards.

5.2. Sub-tier Suppliers shall be verified to a quality system standard like IATF 16949 or Huf defined quality system standards. All sub-tiers shall comply with a quality system standard. The supplier management organization shall have an individual fluent in these standards who is able to train and conduct audits at sub-tier suppliers.

5.3. The supplier management structure resources shall also be skilled in problem resolution and continuous improvement techniques to help drive performance improvement in the sub-tier supply base.

6. APQP Process requirements

6.1. Risk Assessment:

6.1.1. Suppliers shall complete the GM 1927 07a APQP Supplier Assessment Sub tier worksheet or equivalent document for all sub-tier suppliers and determine the risk classification for each. Sub-tier suppliers shall be classified as either “Critical” or “Non-Critical” based on the results of the risk assessment.

6.2. APQP Tracking:

6.2.1. All sub-tier suppliers shall require APQP tracking during their product development cycle. The GM 1927 25 Subcontractor Status Summary or equivalent shall be used for this purpose. Additional or more frequent tracking shall occur for suppliers identified as “Critical”. On-site audits of APQP activity should be conducted to assure sub-tier suppliers are complying with program timing requirements and milestone events.

6.2.2. The GM SQE may also request on-site sub-tier supplier visits during the APQP process and conduct audits along with reviews of program status. Control plan audits launch audits (GM 1927 43 Launch Audit) and GM 1927 33 Early Production Containment audit should be used as appropriate and at the discretion of the GM SQE. These visits should include product engineering and other support resources as needed and shall be coordinated through Huf supplier management structure.

6.3. PPAP

6.3.1. All sub-tier suppliers shall achieve successful completion of Full. PPAP approvals should be conducted on site at all sub-tier suppliers identified as “Critical.

6.3.2. Capacity Verification GM 1927 35 Run @ Rate:
6.3.2.1. Capacity verification shall occur at all sub-tier suppliers. GM 1927 35 Run @ Rate Procedure should be used for this verification. On-site capacity verification shall occur for “Critical” sub-tier suppliers.
6.3.2.2. Sub-tier suppliers may be exempt from capacity verification (non-critical components like simple discrete electronic components or stock fasteners), however shall confirm ample capacity is available to meet GM requirements.

7. GM 1927 28 Early Production Containment (EPC)

7.1. Sub-tier suppliers shall implement a pre-launch control plan which is a significant enhancement to the production control plan for the purpose of early production containment. EPC inspection area evaluations should include:

- 7.1.1. Proper layout, including necessary workstations, benches and tables
- 7.1.2. Sufficient lighting
- 7.1.3. Proper staging areas for the parts (Green (OK), Red (NOK), Yellow (waiting for inspection))
- 7.1.4. Clear understandable visual standards with boundary samples
- 7.1.5. Gauges
- 7.1.6. Standardized work instructions
- 7.1.7. Recording sheets/data acquisition equipment

7.2. GM 1927 28 Early Production Containment exit criteria shall be made clear to sub-tiers and require approval from Huf before doing so.

8. Process Control Audit

8.1. Sub-tier process control plan audits should be completed at appropriate times prior to launch and on an ongoing basis for monitoring of sub-tier compliance to process controls and continuous improvement. Individuals in the supplier management structure shall be trained to audit and follow accepted practices for review of documentation and records (GM 1927 16 Process Control Plan Audit Form / GM 1927 16b Sub tier Supplier Process Audit).

9. Problem Communication and Resolution

9.1 A problem communication process (Escalation Process) shall be established to provide for resolution of issues with sub-tier suppliers. Problems communicated shall require the sub-tier to initiate immediate containment and provide certified material to support ongoing production. Sub-tiers shall follow an effective problem-solving process for issues brought to their attention and corrective actions should be verified as required by the supplier management organization.

10. Performance Tracking

10.1. Suppliers shall monitor sub-tier suppliers' performance against expectations. Performance monitoring should be connected with the sourcing process and be used as means to prioritize resources for audits and other continuous improvement activities. Performance monitoring may include problem reporting, discrepant part counts, PPM, program management performance, etc. and should be tracked over time.

10.2. Continuous improvement activities expected for sub-tier suppliers should drive reductions in the number of problems reported, read across of corrective actions to like products / facilities and RISK ANALYSIS with improved process controls.

11. Change Management

11.1. Suppliers shall have a process to manage sub-tier changes. Any sub-tier changes that may affect fit, form or function of the GM purchased part requires notification to GM and approval prior to executing the change. Suppliers shall have a process to track sub-tier changes and breakpoints. Change management procedures should include the following in scope:

11.1.1. Change in sub-tier supplier or manufacturing location

11.1.2. Manufacturing process change

11.1.3. Change in sub-tier component design or material
11.1.4. Change in sub-tier tooling
11.1.5. Read across of new lessons learned.

12. Sub/Tier Supplier Management

12.1. Suppliers to GM shall drive similar requirements as contained in this CG to their suppliers.

Supplier Quality Development

Supplier signature and date
Quality Manger

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