



Flex-N-Gate Mechanical Assemblies

Supplier Manual

Rev.12

(For Bradford and Seeburn Division)

For use with ISO 9001:2000 or ISO/TS 16949:2002 2nd Edition

Revision: 12
Revision Date: September 26, 2008

Flex-N-Gate - Bradford
Ventra Group Co.

R.R. #1, 75 Reagen's Industrial Parkway, Bradford, Ontario, Canada L3Z 2A4

Phone: (905) 778-7900 Ops.Fax: (905) 778-9798, Adv.Purch.Fax (905) 713-2213 www.flex-n-gate.com



September 2008

Enclosed please find the current release of Flex-N-Gate's Mechanical Assemblies Supplier Manual.

All Suppliers to Flex-N-Gate Bradford and Flex-N-Gate Seeburn are required to be third party registered to ISO 9001:2000 or ISO/TS 16949:2002 2nd Edition by an accredited third-party certification body. Please refer to the manual for specific instructions regarding registration compliance and timing.

The revised manual also addresses specific requirements for Flex-N-Gate and as such, compliance to all is required.

This release shall supersede all other releases, please destroy any copies you may have. Please contact the undersigned should you require additional clarification.

Sincerely,

Fred Gilbert
Director of Purchasing

Jeff Poynter
Q.A. Manager
Bradford Division

Steve Dobsi
Q.A. Manager
Beaverton -Seeburn

Glenn Sernoski
Q.A. Manager
Tottenham -Seeburn

Enclosure

Amendment Record

Date of Revision	Revision #	Section #	Details of Change
September 1, 1995	1	All	Initial Release
December 17, 1997	2	All	Mission Statement, Name/Signatures
February 5, 1999	3	All	QS9000 Third Edition Revised Supplier Rating System Supplier Award Program
June 1, 2000	4	Sec. 14	Updated QF# 11
December 11, 2000	5	All	Updated Approval List
March 06, 2002	6	All	Updated Company Name Updated fiscal year dates in Sect. 6 Added Glenn Sernoski to acknowledgement letter Add Corrective Action Response to Sect. 22
May 16, 2002	7	All	Company name change from Ventra to Flex-N-Gate
October 30, 2003	8	All	Modified to reflect TS16949 standard
March 1, 2006	9	All	Mod. to reflect Bug-Free pkg./pallet legislation, Bar code labelling, delivery of certified safety stock, IMDS support doc., Tooling, Containment, NAFTA regulations, Ford Heat Treat
August 2, 2007	10	5 - PPAP Supplier Performance	Removed incorrect statements Clarified Low/Medium/High supplier PPAP requirements Clarified Supplier Performance ratings
November 2, 2007	11	4 – Risk Level	Added on site assessments for High risk suppliers
November 2, 2007	11	5 – PPAP	Added PPAP's to comply with latest AIAG PPAP manual and all referenced AIAG manuals). Clarified that FNG owned check fixtures to comply with FNG gauge standards manual PPAP package format to be as requested by FNG plant

November 2, 2007	11	13-NAFTA	Clarified annual submission requirement for NAFTA documents
November 2, 2007	11	1-Standard Terms	Added reference to all other Standard terms and conditions
November 2, 2007	11	11 – Containment/Non-conforming Material	Revised sort/rework hourly rate from \$75 to \$50
November 2, 2007	11	8, 9, 10	Added CQI-9, CQI-11 and CQI-12 annual assessments requirement
September 26, 2008	12	6	Added reference to Tooling Invoice payment.

Index

Quality Management System

1. ISO 9001:2000 Registration
2. Pre-Award Survey
3. Request for Quotation
4. Risk Level
5. PPAP Requirement
6. [Tooling](#)
7. Annual Layouts
8. Suppliers of Heat Treated Material
9. Suppliers of Plated Material
10. Suppliers of Coated Material
11. Containment / Non Conforming Material
12. IMDS
13. NAFTA Documentation

Material Requirements

1. Material Releasing
2. EDI
3. Bar Code Labelling
4. Packaging
5. Delivery
6. Payment Terms
7. Supplier Communication

Supplier Performance

1. Review Frequency
2. Rating System
3. Supplier Award Program
4. Administrative Charges

Standard Terms

1. Standard Terms and conditions

Quality Management System

1. ISO 9001:2000 Registration

All Suppliers are required to be 3rd party registered to a minimum of ISO 9001:2000 and in compliance with TS16949 2nd Edition, with a goal of upgrading to ISO/TS 16949 2nd Edition 2002, by October 1, 2006.

Those Suppliers who are currently registered to a prior standard must upgrade to either ISO 9001:2000 or ISO/TS 16949 2nd Edition 2002 at the expiration of their current certification or in accordance with customer specific requirements as directed by Ford, General Motors and Daimler Chrysler.

2. Pre-Award Survey

A Pre-Award (FAP.010) survey shall be conducted with new Suppliers under consideration for award of business.

All potential Suppliers must successfully pass the initial Pre-Award survey. Subsequent surveys may be conducted at Flex-N-Gate's discretion.

3. Request for Quotation

Prior to award of any business, the supplier will be expected to complete the Flex-N-Gate RFQ form (FAP.006) with complete detailed cost breakdown. Should a discrepancy between the supplier's layout and our layout occur, then our layout is to be followed.

4. Risk Level

Flex N Gate will assess the risk level of each supplier for each part that they supply. Each supplier will receive a High, Medium or Low risk rating for each part they supply. The risk level will be noted on the Supplier PPAP request form (FQA.010). High risk suppliers will be required to have an onsite assessment (FQA.183) conducted by Flex N Gate's quality department after PPAP but before to SOP.

5. PPAP Requirements

Flex-N-Gate will issue the Supplier PPAP Request (form FQA.010) identifying submission requirements. Supplier PPAP's must conform to the latest AIAG PPAP manual (including the latest AIAG forms) and all referenced latest AIAG manuals (ie. MSA, FMEA etc.) It will be responsibility of the Supplier to insure that the PPAP reflects the latest revision level of the controlled drawing issued by Flex-N-Gate. This form should be included with the supplier PPAP submission and used as a checking tool to ensure a complete submission. This form will be used as a communication tool back to the supplier if the PPAP submission requires additional or corrected information.

It is the responsibility of the Supplier to meet all Appearance criteria directed by Flex-N-Gate on components that are deemed appearance items. The Supplier is responsible for providing resources and managing it's sub-suppliers to ensure that Appearance parts are provided to Flex-N-Gate for approval by Flex-N-Gate customers in a timely manner. This applies to AAR submissions for initial PPAP approval, and any further AAR submissions required by Flex-N-Gate and its customers.

Suppliers must only PPAP to the Flex-N-Gate controlled drawing. Tier-2 suppliers are responsible for the PPAP submission and approval of subsequent tier suppliers. Parts submitted with the PPAP should be individually identified to match dimensional report. All gauges owned by Flex N Gate must be built in accordance to Flex-N-Gate Gauge Standards (see Appendix for standards). All submissions, except annual revalidations, must include IMDS number and NAFTA Certificates (as per section 12/13). All PPAP documents must be sent as an entire package (electronically or hardcopy) and packaged in a format requested by the applicable Flex N Gate plant.

Additionally suppliers whose parts are assembled into a Ford product will be required to submit annual level 3 PPAP's to Flex N Gate. Suppliers who fall into this category, will be notified annually by the applicable Plant Quality department.

Failure to submit a requested deliverable will result in the supplier's PPAP being rejected.

Flex-N-Gate PPAP specific requirements:

Low / Medium Risk Suppliers:

6 pcs. (per cavity) full layout minimum
 Capability study minimum 100 pcs.

High Risk Suppliers:

12 pcs (per cavity) full layout minimum
 Capability study minimum 100 pcs.

See appendix for a sample of the PPAP Request.

6. Tooling

When Tooling is Kicked-Off to supplier (usually through a spot-buy Purchase Order), Supplier is required to fill in and return the Bailment Receipt form (FAP.027) and Tooling Information Sheet (FAP.028) to the Advance Purchasing Dept. at FNG. (see Appendix for sample forms). [Failure to provide completed Bailment or Tooling forms may delay payment of final tooling invoice.](#)

Disposal of any Flex-N-Gate / Seeburn Tools is not allowed, unless given specific written instructions.

7. Annual Layouts

Supplier's to provide Flex-N-Gate's Quality Assurance department, an annual layout (Level 2 submission) for all Flex-N-Gate released components. Layout will be due by the last day of the month, on the one year anniversary of the original layout.

8. Suppliers of Heat Treated Material

Suppliers of heat-treated material will be required to perform a Heat Treat System Assessment per CQI-9 second edition (available from AIAG) annually and submit to Flex N Gate's Quality department when requested.

9. Suppliers of Plated Material

Suppliers of plated material will be required to perform a Plating System Assessment per CQI-11 (available from AIAG) annually and submit to Flex N Gate's Quality department when requested.

10. Suppliers of Coated Material

Suppliers of coated material will be required to perform a Coating System Assessment per CQI-12 (available from AIAG) annually and submit to Flex N Gate's Quality department when requested.

11. Containment / Non Conforming Material

Suppliers providing Non Conforming Material will receive a Non Conforming Material Report (NCRM) form FQA.036. See appendix for a sample.

Suppliers must initiate a containment process to insure Flex-N-Gate does not receive any further Non Conforming Material.

Suppliers must submit an initial 8-D report, indicating their Containment Plan within 24 hours of receiving an NCRM. The Containment Plan must include material in transit. The Containment Plan will be reviewed and agreed to by Flex-N-Gate.

Suppliers receiving an NCRM will be responsible for submitting 8D Corrective Action as follows:

Major Issues- if non-conforming material received by FNG from the supplier causes a major disruption (downtime) to production lines, and/or issue at FNG's Customer. The supplier shall be responsible for all resulting costs.

Internal containment at your facility must take place for 30 days subsequent to the implementation & approval of permanent Corrective Action.

The Supplier shall submit a completed 8-D within 10 days. Any deviation from this requirement must be agreed to by FNG Quality dept.

Minor Issues- if non-conforming material received by FNG from the supplier causes zero or minor disruption (no down time / no scrap / no issue at FNG Customer). The supplier shall certify the next three shipments.

The supplier shall submit a completed 8-D within 10 days. Any deviation from this requirement must be agreed to by FNG Quality dept.

Disposition shall be provided for Non-conforming material in the following manner:

- a) Use as is: material used, quantities not counted against PPM total
- b) Sort / Rework: supplier will be charged a standard sort / rework fee (\$50.00/hr); defective pieces found will be counted against PPM total.
- c) Removal of non-conforming material will be the responsibility of the supplier. Non-conforming material remaining over 48 hours at Flex-N-Gate will be subject to \$100.00 per day warehousing fee
- d) A minimum \$250.00 administration fee will be charged for each NCMR to cover administration costs.

12. IMDS

Suppliers must register with IMDS (International Material Data System) on www.mdssystem.com. See appendix for sample IMDS operating instructions.

The Supplier is responsible for obtaining an IMDS-module reference number for each part number supplied to Flex-N-Gate. The IMDS reference number must be included with the PPAP submission on the PPAP form (FQA.010) and the Warrant.

A supplier PPAP package will not be approved without this reference number being included with the submission. The IMDS-module of this purchased component must also have been submitted and approved by the appropriate Flex-N-Gate / Seeburn branch. Refer to the appropriate FNG-IMDS addresses when submitting a module: FNG-Bradford #23149, Seeburn-Tottenham #25099, Seeburn-Beaverton #3541.

Declarable substances in a Supplier's product must be reported in a declaration statement. Action plan to remove these prohibited substances must be submitted. Must review Analysis-Tab for "Declared / Prohibited" (DIP) substances. Please reference IMDS system for document instructions on DIP substances.

13. Customs Documentation (NAFTA Certificate of Origin, AALA, Traced Value)

Suppliers must include three (3) customs documents with their PPAP submission – North American Free Trade Agreement (NAFTA) Certificate of Origin, American Automotive Labelling Act (AALA) Manufacturer’s Affidavit and a Traced Value Statement.

A new NAFTA certificate, AALA, and Traced Value is required to be re-submitted with each subsequent part number revision, supplier change and/or new part.

If supplier is based from a non-NAFTA country, then “statement” of origin must be submitted.

A supplier PPAP package will not be approved without required documentation being included with the submission.

Suppliers shall submit all NAFTA documents (NAFTA Certificate of Origin, AALA and Traced Value Statement) for each part number that appears on their Purchase Order annually. A copy of the Purchase Order shall be submitted along with the NAFTA documents. The package shall be sent via e-mail or courier to the plant specific Materials Coordinator by October 31st each year.

See appendix for sample blank certificate and associated links to websites.

Materials Requirements

1. Material releasing

Domestic suppliers shall receive a minimum of 2 weeks firm and a minimum 4 weeks planning and/or material authorization.

Overseas suppliers shall receive a minimum of 4 weeks firm and a minimum of 8 weeks planning and/or material authorization.

It is the responsibility of the Supplier to insure all requirements are met as directed by the release and / or purchase order.

2. EDI

Suppliers shall be capable of receiving and sending EDI transmissions.

Flex-N-Gate will transmit the AIAG 830 transaction set (Planning/Firm release) to the Supplier. The Supplier will be responsible for transmitting the AIAG 997 upon receipt of the 830 releases. The Supplier will also be responsible for transmitting the AIAG 856 transaction set (Advance Shipping Notice) to Flex-N-Gate, upon shipment of material.

Suppliers that are not EDI compliant must submit an Action Plan to Flex-N-Gate advising timing for completion prior to production kick-off.

The Supplier will be responsible for updating the Action Plan every 6 months until Flex-N-Gate confirms their EDI capability.

The Supplier shall have a process to automatically update Flex-N-Gate release requirements into the Manufacturing system thereby insuring data integrity.

See appendix EDI for transaction specifications.

3. Bar code labelling

All material shipped by the Supplier shall be identified with a bar code label. All cartons/containers shall be labelled.

The bar code label shall meet the specifications provided by Flex-N-Gate. A Master Label is required for multiple containers of the same part number on a single pallet.

The Supplier must have a process in place for scanning all bar code labels to create shipping documents and the Advance Shipping Notice. Failure to label correctly may result in administrative charges

See appendix for Bar Code Label specifications.

4. Packaging

Component packaging will be reviewed on an individual basis.

In general, material designated as hand transfer may not exceed 35 lbs.; one lift cannot weigh more than 2,000 lbs.; maximum height cannot exceed 48 inches per lift

Steel handling will be reviewed on an individual basis.

All coils must not exceed 72 inches OD and no less than 20 inches ID.

All suppliers must support the IPPC standards of Bug-Free wood packaging. Please refer to web site link (<http://www.inspection.gc.ca/english/plaveg/protect/dir/d-98-08e.shtml>) for detailed information.

5. Delivery

Supplier is responsible for 100% on time delivery.

Supplier will be responsible for any premium freight incurred by short shipments. In the case of over shipments, at the buyer's discretion the over shipment may be returned at the supplier's cost.

Supplier will be responsible for all costs incurred by Flex-N-Gate and/or Flex-N-Gate's Customer due to late or short shipments.

Certified Safety Stock for Overseas Shipments: Supplier must maintain a minimum of 4 weeks worth of 100% certified stock on a rotational basis.

6. Payment terms

Flex-N-Gate will provide Suppliers with the same terms as specified by Flex-N-Gate's Customers. Payment is approximately 2nd week of 2nd month following shipment.

7. Supplier Communication

The Supplier must notify Flex-N-Gate within 5 days of a change in personnel to its Department Management team by means of the Supplier Information Sheet (FAP.008).

See appendix for a copy.

The Supplier must notify Flex-N-Gate within 24 hours of a production interruption. The nature of the problem shall be communicated to Flex-N-Gate and immediate actions taken place for continued supply of product to Flex-N-Gate.

Suppliers with collective bargaining agreements will be responsible for providing Flex-N-Gate with an Action Plan for potential production interruptions 6 months prior to negotiations.

Product volume change requests from Flex-N-Gate increasing volume by 20% or more over the previously verified volume capability shall require full volume feasibility studies.

Supplier Performance

1. Review Frequency

Performance shall be monitored on a quarterly basis. Suppliers shall be given a rating number from one (1) to five (5). A rating of one (1) is the highest and a rating of five (5) the lowest.

During the Sourcing and Quoting process for further potential business, Supplier Performance Ratings shall be considered as part of the review.

2. Rating System

Suppliers shall be rated in the following areas:

- 1. Quality Performance
- 2. Delivery Performance
- 3. Price Reduction
- 4. Engineering Support
- 5. PPAP Submission
- 6. RFQ Response
- 7. Corrective Action Response

Quality Performance shall be rated based on a PPM figure.

The Supplier shall be given a numerical score of one (1), three (3) or five (5).

- 0 - Not rated
- 1 - meets or is below PPM target
- 3 - exceeds PPM target
- 5 - Quality non-conformance caused missed shipment to customer

Delivery Performance shall be given a rating from one (1) to five (5). Since Flex-N-Gate practices J.I.T. manufacturing, Flex-N-Gate must depend on Suppliers to deliver the correct quantity, on time to the correct location. Therefore, early/late (1 day) shipments, short shipments or over shipments are not acceptable. Numerical scores are broken down as follows.

- 0 - Not rated
- 1 - Delivery 100% on time
- 3 - 1 missed shipment
- 5 - Habitual problems (more than one (1) occurrence) / or caused missed shipment to customer

Price Reduction shall be rated on an annual basis. A rating of one (1) to five (5) will be awarded

- 0 - Not rated
- 1 - Supports cost reduction and makes improvement proposals
- 3 - Supports cost reduction
- 5 - Does not support cost reduction
- N/A - Not Applicable-rated annually

Engineering Support shall be rated on an annual basis. The rating shall be performed by Product Engineering and Purchasing. The rating is subjective, but where possible, justification for the rating shall be provided. A rating number of either one (1), three (3) or five (5) shall be given.

- 0 - Not rated
- 1 - Provided validated performance improvements or validated cost reduction proposals, as well as meeting requirements for a three (3) rating. (VA/VE proposals)
- 3 - Provided necessary Engineering support with good response time.
- 5 - Provided poor Engineering support, poor response time or request for late engineering changes.
- N/A - Not Applicable-rated annually

PPAP Submission shall be given a rating of 1-5. (Monitored Quarterly)

- 0 - Not Rated
- 1 - 100% on time and approved
- 3 - Late but approved
- 5 - Late and rejected

Request for Quotation Response shall be given a rating of 1-5. (Monitored Quarterly)

- 0 - Not rated
- 1 - 100% on time
- 3 - Late replies
- 5 - Late and not competitive

Corrective Action Response shall be given a rating of 1-5. (Monitored Quarterly)

- 0 - Not rated
- 1 - 100% on time; Adequate corrective action implemented
- 3 - Late response; Inadequate corrective action implemented
- 5 - No response / No corrective action implemented

3. Supplier Award Program

Suppliers that achieve exemplary performance will be given preference for future work. Suppliers that perform poorly will have limited opportunity for future business and may lose current business. In the first quarter of each year (January to March) Flex-N-Gate's Quality, Engineering, Production and Purchasing Departments will select suppliers that qualify for "**Supplier of the Year**". Only Suppliers who meet the following criteria will be eligible to qualify.

The following areas will be considered for selection from the previous performance January 1st to December 31st.

1. Quality Performance - Meets or exceeds PPM Targets; ISO 9001:2000 (or ISO/TS 16949 2nd edition 2002) registered
2. Delivery – 100% on time.
3. Price Reduction – Supports yearly Cost Improvement.
4. Engineering Support – Continually demonstrates advanced technology and supports VA/VE activities with cost improvement proposals.
5. PPAP Submission – 100% on time and approved.
6. RFQ Response – 100 % on time and competitive.
7. Demonstrates leadership in Community Involvement.
8. Demonstrates leadership in Employee Satisfaction.
9. Demonstrates leadership in – Health and Safety Activities (Frequency, Severity, ISO 14000)

4. Administrative Charges

Failure to comply with the requirements of this manual may incite administrative charges of \$250.00 plus cost of outside services, as agreed.

Standard Terms

1. Standard terms and conditions

All other standard terms and conditions can be found on the following website:

<http://www.flexngate.com/buspolicy>

Appendix

1. Request for Quote – FAP.006
2. Pre-Award Survey – FAP.010
3. PPAP Request form – FQA.010
4. Gauge / Fixture Standards
5. Non-Conforming Material Request form – FQA.036
6. NAFTA certificate / Certificate of Origin
7. AIAG 830, 856 and 997 transaction sets
8. Bar code label specification
9. Supplier Information Sheet – FAP.008
10. Bailment Receipt Form –FAP.027
11. Tooling Information Sheet –FAP.028
12. Bug-Free Wood Packaging IPPC standards
13. IMDS Operating Instructions –introduction
14. Onsite Assessment- FQA.183