



**AirBoss Rubber Compounding
Supplier Quality & Development Manual**
July 2010



Purpose of this Document:

The purpose of this document is to outline the expectations of all suppliers of products and services to AirBoss Rubber Compounding. In an effort to continually improve its business, AirBoss Rubber Compounding is asking its supplier partners to adhere to the following requirements. These requirements will assist both AirBoss and its supplier partners in ensuring that the highest level of quality and service are achieved and maintained in delivering a quality product to customers.



General Requirements:

The following are the general requirements asked for of all supplier partners to AirBoss Rubber Compounding:

- Registration to the latest ISO 9000 standard, or an equivalent standard; or, if not having a system that is registered, being capable of demonstrating a Quality Management System that meets the requirements of the latest ISO 9000 standard.
- Having procedures in place for dealing with Nonconforming Material and Corrective /Preventive Actions, specifically issues related to nonconforming material sent to customers and answering Supplier Corrective Action Requests.
- Demonstrate the ability to test products in a controlled laboratory and produce Certificates of Analysis (CofA's), or equivalent documentation, to show compliance of such products to AirBoss / industry-specified requirements; if the tests and certifications are performed by a supplier's sub-contractor then the supplier must have documentation that demonstrates the sub-contractor's abilities.
- Up-to-date Material Safety Data Sheets (MSDS) must be sent to AirBoss for each product supplied; the MSDS must be current to within 3-years of the latest order of the product supplied to AirBoss.
- Suppliers are expected to have standards in place to prevent contamination or damage and to comply with all AirBoss labeling and markings.
- All suppliers are expected to deliver on time. Any and all deviations must be relayed to the Buyer to ensure action taken and no down time incurred.
- The supplier is also expected to comply with all governing regulations between origin and destination.



- Suppliers are expected to adhere to AirBoss paperwork requirements as detailed in the PO 7.
- CofA's are required to either accompany or precede all shipments and must comply with all AirBoss requirements.
- All shipments must comply to all equipment regulations and with government safety, health and transportation of hazardous materials regulations of all localities and countries through which they pass with respect to, but not limited to, the required signs, notices, labels, documentation and containers.
- Suppliers must notify and receive approval from AirBoss when there is a change in the supplier's process, raw material, or facility of manufacture for each product supplied.

Other requirements may be asked for from time to time by AirBoss Rubber Compounding, in addition to the above general requirements; these additional requirements will be communicated in writing to the applicable supplier partners.

In addition to the above general requirements, supplier partners are also asked to adhere to more specific requirements outlined below.



Specific Requirement:

Nonconforming Materials / Supplier Corrective Actions Requests

Nonconforming materials or services supplied to AirBoss by a supplier may initiate a Supplier Corrective Action Request, issued by the AirBoss Quality Department. It is expected that the supplier will replace / repair the nonconforming material / service as soon as possible. Any charges incurred by AirBoss due to the supplier's nonconforming material / service will be charged back to the supplier, including a SCAR administration fee (refer to AirBoss Supplier Chargeback Procedure). Nonconformances include but are not limited to poor quality product, poor service, late delivery of product or service, missing or late documentation, not providing an up-to-date MSDS, etc. Continual nonconformance issues by a supplier may initiate certain actions by AirBoss such as requesting a review meeting with the supplier, a visit or audit of the supplier's facility, and even potential withdrawal of the supplier as an approved source to AirBoss Rubber Compounding.



Specific Requirement:

New Material Qualification

All products purchased by AirBoss Rubber Compounding must be qualified through the AirBoss New Material Qualification process. Suppliers will be required to provide Certificates of Analysis, Technical Data Sheets, current MSDS and other documentation or personnel support to aid AirBoss in qualifying the product. Initially, a small sample of material may be ordered to perform tests on a Lab Batch-sized sample; if the Lab Batch is evaluated and deemed acceptable then a larger sample, closer to production quantity, may be ordered to evaluate the material in a production batch setting. Once the material is tested through the NMQ process and proved to meet the requirements for a particular AirBoss code, the supplier's product will be added to the AirBoss approved sources list for the specific product. If the product does not meet the specifications, the supplier will be advised and may re-submit with necessary changes.



Supplier Scorecard

In order to give feedback and evaluation to the suppliers of AirBoss Rubber Compounding a Supplier Scorecard has been developed. This scorecard will be sent to all suppliers of AirBoss Rubber Compounding within 30 days after each fiscal quarter. The scorecard will show the supplier's performance based on 3 criteria: Quality, Service, Technical / Innovation. The scorecard will be out of 100%, with Quality constituting 45%, Service constituting 45%, and Technical / Innovation constituting 10%. The requirements for each criterion are outlined here:

- Quality
 - Assessment based on performance related to quality of product / service and responses / reactions to SCARs.
 - Major / Shutdown issues – potential loss of 10 percentage points per incident.
 - Minor / Serious issues – potential loss of 5 percentage points per incident.
 - Annoyance issues – potential loss of 1 percentage point per incident.
 - Quality Section is worth 45% of Overall Performance score.
- Service
 - Assessment based on issues related to paperwork, on-time material delivery, urgency of responses to AirBoss personnel.
 - Major / Shutdown issues – potential loss of 10 percentage points per incident.
 - Minor / Serious issues – potential loss of 5 percentage points per incident.
 - Annoyance issues – potential loss of 1 percentage point per incident.



- Service Section is worth 45% of Overall Performance score; 30% for On-Time Delivery and 15% for paperwork / responses.
- Technical / Innovation
 - Assessment based on the amount of Technical support and proposed innovations by suppliers.
 - Section is to encourage and reward suppliers who provide Technical / Innovation support to AirBoss Rubber Compounding.
 - Technical / Innovation Section is worth 10% of Overall Performance.

Assessment and Requirement Levels:

- Green Level – Overall score is a minimum of 80%; this is the level that all suppliers need to maintain preferred status.
- Yellow Level – Overall score between 65% to 79%; suppliers at this level need improvements; face-to-face supplier meetings may be called and improvement plans may be requested by AirBoss.
- Red Level – Overall score below 65%; suppliers at this level need to provide written improvement plans and supplier assessment visits will likely occur; continued red level performance may get the supplier taken off the approved suppliers list.

Please note that a Supplier Scorecard will be sent only to suppliers that supplied material in the quarter. If no material was supplied in the quarter then a Supplier Scorecard will not be sent.