

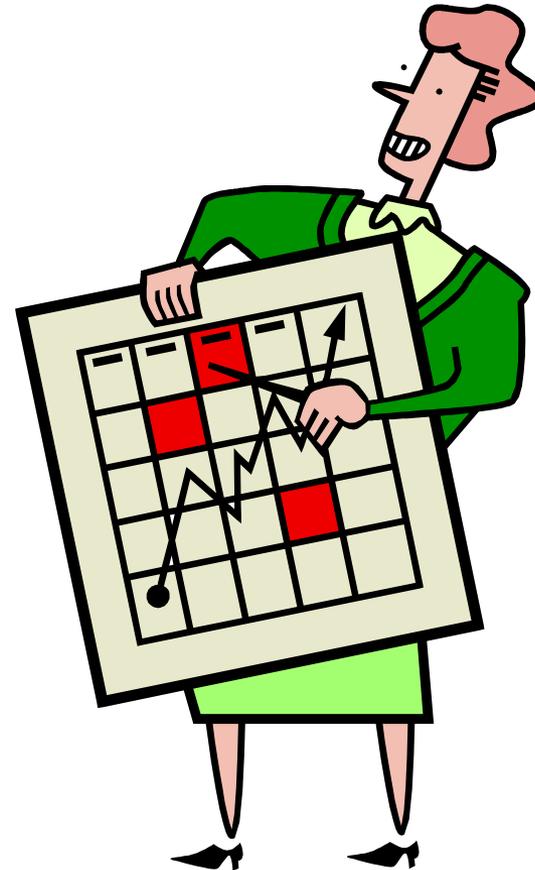
Kimball / Kimball Customer requires supplier to complete Supplier Manufacturing Change Request (SMCR) Form for the following

- When new equipment is installed, or replaced and equipment move within the plant per Kimball Electronics Global Supplier Quality Manual (GSQM) Rev M. See section “3.0 Supplier Manufacturing Change Request” (SMCR) from below GSQM Link
- Kimball also requires Supplier to complete Supplier Deviation Request Form for any non-conforming parts. See section “18.0 Supplier Deviation Request” (SDR) from below GSQM Link
- See below link where you can find SMCR and GSQM

[Kimball Electronics Supplier Documentation](#)

VENDOR EVALUATION

**How Does KEG
Score
Our
Vendors???**



Vendor Evaluation Agenda

- Overview of VE reporting
- Basic introduction to VE metrics
- What do we do with the Scorecard
- Example of KEG's scorecard
- Other transactions/reports
- On-time Delivery specifics

Vendor Evaluation Process

- Is done by the Quality Group
- Is done on a monthly basis
- Can be updated throughout any given month, if needed
- Is typically done on a given number of the overall vendors. Could be based on top dollars spent, etc.

Vendor Report Scorecard



Scores:

- **Quality** (Counts as **33.3%** of total score)
 - PPM (100% of Quality Score)
- **Delivery** (Counts as **33.3%** of total score)
 - Delivery to Statistical Delivery Date (100% of Delivery Score)
- **Service** (Counts as **33.3%** of total score)
 - F/A and C/A Response (50% of Service score)
 - C/A Open (50% of Quality Score)

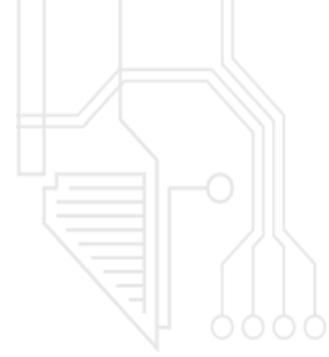


Impact of Goods Receipt...

In Vendor Evaluation:

- **100%** of the Quality Score comes from Goods Receipt plus Line Returns (rejects/lot qtys. with ud x 1,000,000).
- **100%** of the Delivery Score comes from Goods Receipt
- **0%** of the Service Score comes from Goods Receipt

VE -Quality



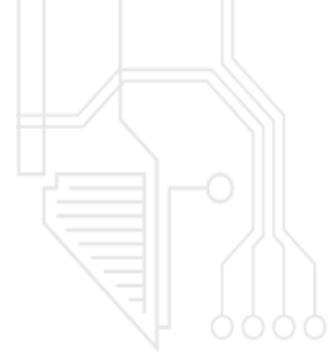
□ Quality

- Counts as **33.3%** of total score
 - **100%** of Quality Score
 - This metric is derived from the total quantity received with a usage decision and the number of rejects (incoming and line returns)
 - Is converted to a PPM score

PPM Conversion Table

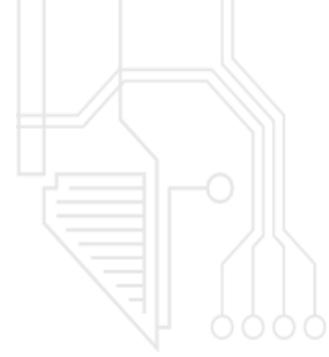
Purch.Org.	PPM Low	PPM High	P...	Last change...	Changed o
0010	0	4	100	HOJEDA	01/01/201
0010	5	20	98	HOJEDA	01/01/201
0010	21	50	96	HOJEDA	01/01/201
0010	51	100	94	HOJEDA	01/01/201
0010	101	200	92	HOJEDA	01/01/201
0010	201	400	90	HOJEDA	01/01/201
0010	401	2500	80	HOJEDA	01/01/201
0010	2501	5000	70	HOJEDA	01/01/201
0010	5001	7500	60	HOJEDA	01/01/201
0010	7501	10000	50	HOJEDA	01/01/201
0010	10001	12500	40	HOJEDA	01/01/201
0010	12501	15000	30	HOJEDA	01/01/201
0010	15001	17500	20	HOJEDA	01/01/201
0010	17501	20000	10	HOJEDA	01/01/201

Quality Rules



- **3 Month PPM Formula** = Total rejects for 3 months / divided by **total qty. received** with usage decisions for 3 months * 1,000,000.
- **Trend** - The first trend point is the average of the one month PPM values for the first three months on the score card. The second trend is the average of the one month PPM values for the last three months on the score card. The trend is shown by drawing a line through these two points.

VE Delivery



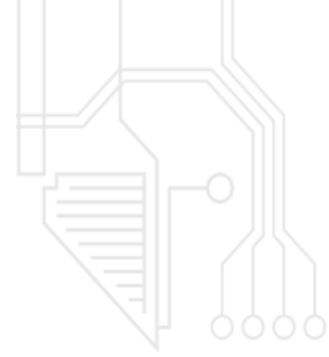
□ Delivery

□ Counts as **33.3%** of total score

= Actual delivery to PO “statistical” delivery
(**100%** of Delivery Score)

□ “Statistical” delivery date on PO can be different than “requested” delivery date

Delivery Score



Work days or Calendar days???

- The Delivery Score calculation is based off of **“work days”** assigned to the purchasing organization, not **“calendar days”**.

VE Delivery – **Early?** **Late?**

If the delivery is made:

Four days or more early

From 3 days early up to **3 days** late

Four days or more late

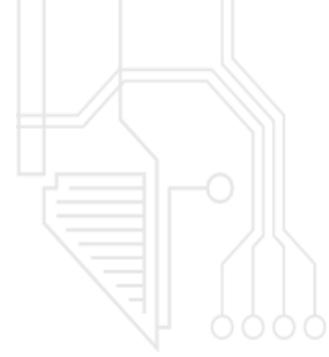
The vendor receives
a score of:

0

100

0

VE Service



□ Service

□ Counts as **33.3%** of Overall Score

□ Is made up of 2 subcriteria:

- F/A and C/A Response (**50%** of Service Score)
- C/A Open (**50%** of Service Score)

VE Service- FA/CA Response

- **F/A and C/A Response** (**50%** of Service Score)
 - The score is the number of **on-time responses** divided by the number of requested responses times 100. A vendor with no late FA/CA responses in the selected month will receive 100 points. The minimum score for FA/CA responses is 1.

VE Service



- **C/A Open** (**50%** of Service Score)
 - Each vendor is to start with a score of **100**. For each CA that is open in the specified period, the vendor will lose **20** points. The minimum score is 1.