

**Supplier assessment**

**VA025**  
**IATF Chapter 8.4.2.4**

Created / Changed / Date		17.02.2020			
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**Supplier assessment**

**1. General organisation**

The purchasing department must provide current supplier assessments of the decisive suppliers in the field of production material and tools. In addition, it has to ensure that the supplier assessment is carried out and updated in due time.

Assessment and evaluation of adherence to quantity and delivery dates at the goods receipt are the duty of the plants' logistics departments. Necessary administrative measures in the ERP system must be ensured by the plants' logistics departments.

Product quality is determined by the plants' quality departments. Necessary administrative measures in the CRQ system must be ensured by the plants' Quality Managers.

Incoming goods, plant logistics and QM are responsible for the punctual, complete and correct provision of the relevant information/data to the purchasing department.

The supplier assessment is carried out once a year.

**2. Activities**

The following descriptions inform the purchasing department about the quality level of the suppliers, and show the supplier to what extent he meets our requirements.

**2.1 Performing a supplier assessment**

The supplier assessment is carried out automatically in the Böhme and Weihs module (WEP)

**2.2 Calculation basis of the supplier assessment**

Commercial:  $QN_{tot} \cdot 0.50 + MT \cdot 0.25 + TT \cdot 0.25$

Vendor code (LKZ):  $QN_{tot} \cdot 0.35 + MT \cdot 0.25 + TT \cdot 0.25 + N1 \cdot 0.05 + N2 \cdot 0.05 + N3 \cdot 0.05$

**Adherence to quantity (MT)**

Too little delivered	Exact	Too much delivered
Over to to to	0	to to to Over
20 20 10 5		5 10 20 20 percent
10 50 70 90	100	90 80 70 60 points

**Adherence to delivery dates (TT)**

Delivery too early	Exact	Delivery too late
Over to to to	0	to to to Over
30 30 10 5		2 5 10 10 days
0 50 80 100	100	100 80 50 0 points

Abkürzung	Bezeichnung
<b>QZges</b>	Qualitätsunterzahl nach VDA 2 Verfahren 1
<b>MT</b>	Mengentreue
<b>TT</b>	Terminreue
<b>N1</b>	Sonderfahrten
<b>N2</b>	ppm-Ziel
<b>N3</b>	QM-System

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**N1 = Extra shipment:**

Extra shipment to KOEPPER caused by the supplier

- 0 shipments / half-year = 100 points
- 1 shipment / half-year = 90 points
- 2 shipment / half-year = 80 points
- 3 shipment / half-year = 70 points
- ....
- 10 shipments / half-year = 0 points

**N2 = ppm target:**

Maximum ppm value / year (Example: 100 ppm)

The annual ppm target for suppliers is determined every year by the purchasing department and QM

- ppm <= agreed value = 100 points
- Up to 1.5 times the value = 50 points
- Greater than 1.5 times the value = 0 points

ppm = Percentage of defects per 1 million parts  
ppm formula: (defective parts / delivered parts) · 1.000.000

If the annual ppm target agreement is not recognised by the supplier, and the supplier does not achieve the ppm target, a mandatory downgrading to 0 points shall be applied.

**N3 = QM system:**

- 100 points = certification to IATF 16949
- 50 points = certification to ISO 9001
- 0 points = no certification

**Regulation for suppliers of non-production material (tools, services, auxiliary materials and supplies):**

The calculation basis is the same for suppliers of production material and non-production material (VA050 Supplier Evaluation Production Material, item 2.2). The factors N1= extra shipment and N2 ppm target are not evaluated for suppliers of non-production material, or set to 100 points for non-production material suppliers. The QM system N3 is evaluated with 100 points for non-production material suppliers with a valid ISO 9001 certification. If certification is available, 0 points are awarded.

**2.3 Calculation of the quality value number by the WEP module**

Each delivery receives a predicate after testing. A factor is assigned to it as follows to calculate the quality number.

Rating	Factor	Meaning
GR1	100	Accepted without objection
GR2	50	Accepted with errors that do not require reworking
GR3	25	Accepted with errors that require reworking
GR4	1	Rejected and refusal

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The evaluation is determined according to:

**Number of defective deliveries per half-year (WEP)**

with the following formula for the quality value number:

$$QN = 101 - \frac{GR1 \cdot Factor1 + GR2 \cdot Factor2 + GR3 \cdot Factor3 + GR4 \cdot Factor4}{GR \text{ total (goods receipts)}}$$

e.g.

- 20 Goods receipts (GR), from these
- 15 GR with predicate GR1 = factor 1
- 3 GR with predicate GR2 = factor 5
- 1 GR with predicate GR 3 = factor 30
- 1 GR with predicate GR 4 = factor 100

$$QN = 101 - \frac{(1 \cdot 15 + 5 \cdot 3 + 30 \cdot 1 + 100 \cdot 1)}{20 \text{ GR (goods receipts)}} = QN 93 = \text{A - Supplier}$$

The supplier is classified as **A - Supplier**.

**Rule for the classification or compulsory downgrading**

Scores	Classification
≥ 90 points	A-supplier
≤ 85 - < 90 points	B-supplier
< 85 points	C-supplier
Loss of certificate ISO 9001 and/or IATF 16949	C-supplier*
Audit result (e.g. VDA 6.3) Result "C"	C-supplier*2

\* Downgrading according to supplier evaluation after proof of a valid certificate

\*2 Downgrading according to supplier evaluation after successful post-audit (min. "B")

**The overall classification is carried out by the purchasing department as shown in the table.**

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In general, the worst rating per criterion is decisive for the overall rating such as:

Quality	Deadline	Overall evaluation	Measures
A	A	A	none
A	B	B	Action plan and, if necessary, personal discussion
B	A	B	Action plan and, if necessary, personal discussion
B	B	B	Action plan and, if necessary, personal discussion
A	C	C	Action plan, personal discussion and audit, if necessary
B	C	C	Action plan, personal discussion and audit, if necessary
C	A	C	Action plan, personal discussion and audit, if necessary
C	B	C	Action plan, personal discussion and audit, if necessary
C	C	C	Action plan, personal discussion and audit

**3. Result information of the supplier assessment to the supplier and purchasing department**

The purchasing department collects the result in the Böhme and Weihs module (WEP), calculates the final result and informs the supplier.

Supported by the Quality Assurance, the purchasing department must further develop the suppliers in accordance with the criteria for the supplier evaluation and, from an overall rating of "C", must initiate and pursue appropriate measures (see "Supplier Management" process instructions, Chapter 7 "Supplier Development").