



Methode Supplier Evaluation



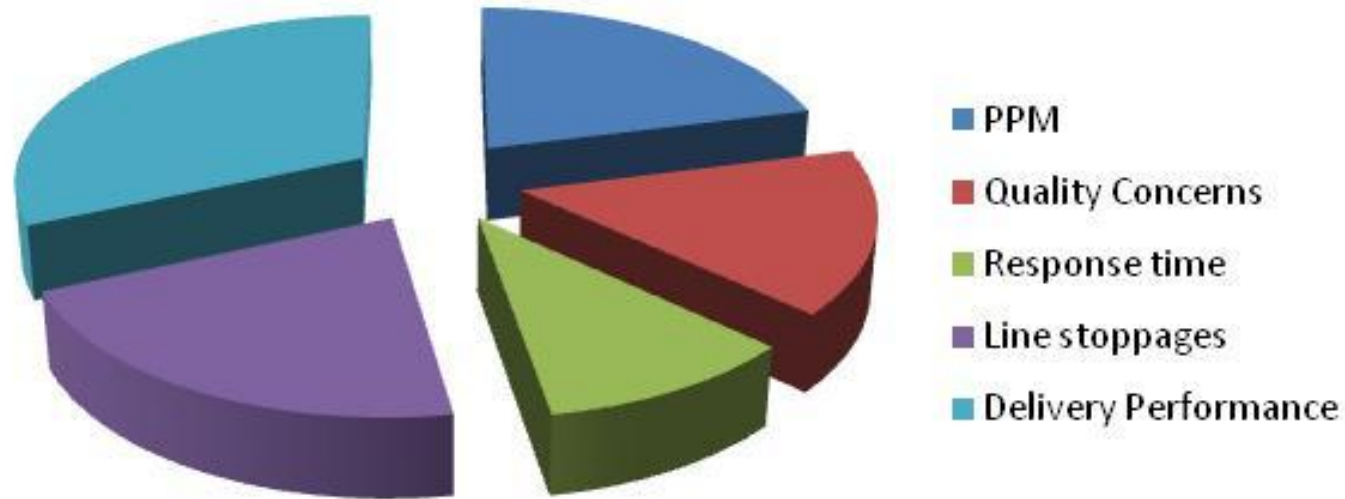
SUPPLIER EVALUATION

Data related to Supplier performance is evaluated through a web base system and managed by the Methode Supplier Development Department.

The Supplier's evaluation is a compromise of the following categories:

Criteria	Weight	Remarks
PPM	25%	A PPM table is set for each category.
Quality Concerns	15%	The no. of issues raised in the period being evaluated.
Response time	10%	This is the time taken by a Supplier to reply to our concerns.
Line stoppages	20%	Rating will be affected for each hour our assembly line is stopped.
Delivery Performance	30%	A shipment is considered as not on time when the confirmed date does not match the scheduled date.

Supplier Evaluation Criteria



A score card is issued at end of every quarter and sent to key Suppliers irrespective of rating score. If a Supplier needs clarification, the Methode SQA shall be contacted and details in score card are explained.

Supplier Performance Scorecard

PPM Scale	Score
<1	100
>1 <50	80
>50 <200	60
>200 <500	40
500 or Greater	0

Concern Scale	Score
<1	100
>1 <2	67
>2 <3	33
3 or Greater	0

On Time Supplier Response	Score
<1	100
>1 <2	80
>2 <3	60
>3 <4	40
4 or Greater	0

Line Stoppages(Hours)	Score
<1	100
>1 <2	80
>2 <3	60
>3 <4	40
4 or Greater	0

% Late Deliveries	Score
<1	100
>1 <2	83
>2 <5	67
>5 <10	33
>10 <20	17
20 or Greater	0

Points	Score
>90	A
>80	B
>60	C
>0	BOH

Details	
Supplier	
Period	01/05/2013 to 31/07/2013

Parts Received	0	PPM	0
Total Rejects	0	Actual PPM Rating	100
Weight	25%	Weighted Score	25

Quality Concerns	0	Concern Score	100
Weight	15%	Weighted Score	15

Late Response(Days)	0	Response Score	100
Weight	10%	Weighted Score	10

Hours Down	0	Line Stoppages Score	100
Weight	20%	Weighted Score	20

Delivery Accuracy (%)	100	Delivery Score	100
Weight	30%	Weighted Score	30
		Uses ASNs	Yes

Total Rating	100
Rank	A

Summary			
Compiled By:		Report Date:	01/08/2013
Remarks:			
Delivery Report:	JG_Test	Date Run:	30/07/2013

A Supplier's performance will be measured as follows:

- ☞ Scoring > 90 – 'A' rating
- ☞ Scoring > 80 – 'B' rating
- ☞ Scoring > 60 – 'C' rating
- ☞ Scoring < 60 – 'BOH' - Business on Hold

An '**A**' status gives a Supplier increased opportunity to quote for new business over a '**B**' rated Supplier.

'**C**' rated Suppliers will be asked to submit a corrective action plan which shall be listing all actions so as to ensure that the deficiencies that led to negative rating will not be repeated. This shall be reviewed and accepted by Methode SQA. Unless this plan is received and accepted, a 'C' rated Supplier shall not be allowed to quote for new business. Failure to submit a corrective action plan will lead to further penalization in next quarter.

'**BOH**' Suppliers will be asked to submit a corrective action plan. Supplier will be put a probationary period and not eligible to quote for further business until next quarter. A Supplier improvement plan may be developed with Supplier in order to improve the overall performance of the same. If deemed required, Methode SQA shall carry out an on-site audit to assess the quality and / or delivery issues..