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Quality Policy Manual

A handwritten signature in blue ink, appearing to be "D. D.", written over a horizontal line.

5/4/06

Management Representative

Date

A handwritten signature in blue ink, "J. Randy Burnett", written over a horizontal line.

5/4/06

General Manager / Vice President

Date

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2.0 Scope of the Quality Management System

This Quality Policy Manual has been developed to address the requirements of the ISO/TS 16949:2002 Standard and outline the systems and procedures that constitute the Quality Management System employed at the Automation Tool & Die, Inc.

2.1 Company Background

Since 1974, Automation Tool & Die has been a leader building high quality tooling for the metal stamping industry. As a leading provider of custom tooling solutions, Automation has utilized its expertise to help companies from various industries develop and manufacture parts to meet the needs of their end product.

In 1989, Automation integrated metal stamping capabilities. Automation's background producing metal stampings began as a response to fulfill a need in the industry. The need for expert involvement at each level of the manufacturing process allowed Automation to build strong relationships with several manufacturers from various industries. Automation introduced services to provide complete solutions from prototype parts to finished assemblies with detailed involvement every step of the way.

Since that time, automation has concentrated its efforts on offering manufacturers the ability to receive all levels of service related to metal stamping from one supplier – in particular, part development and prototyping, tool and die design, process engineering, high quality stamping dies, gages, finished metal stampings and assemblies.

Today the company proudly serves several manufacturers nationwide who depend on Automation to improve the performance of their end product and operations.

The facility successfully achieved ISO 9001:2000 and ISO/TS 16949:2002 registration on September 24, 2004.

ISO/TS 16949:2002 Certificate number: CERT-0015261:013724, IATF Certificate Number 0034601

The Scope of Registration for ISO/TS 16949:202 reads, "The manufacture of metal stampings and engineering samples for the automotive industry."

ISO 9001:2000 Certificate number: CERT-0009076:013724

The Scope of Registration for ISO 9001:2000 reads, "The design, manufacture and repair of progressive dies for the metal stamping industry."

Key Processes of the Quality Management System include, but are not limited to, the following:

- Customer Service / Sales and Marketing (Contract Review)
- Purchasing
- Engineering
- Product Realization (Stamping And Custom Tooling)
- Quality (General Documentation & Measurement, Analysis and Improvement)
- Management
- Resource Management

2.2 Quality Policy

The Top Management Team (which consists of the President, Vice President, Materials Manager, Office Manager, Engineering Manager, *Maintenance Manager*, and the Quality Assurance Manager) have developed a Quality Policy statement based on the company's goals and objectives as well as the expectations and needs of our customers.

The Quality Policy of the Automation Tool & Die, Inc. reads as follows:

**“DO THE RIGHT THING ...
... MEET CUSTOMER REQUIREMENTS
... ENSURE ON-TIME DELIVERY
... CONTINUALLY IMPROVE”**

With relation to these Key Ideas of the Quality Policy, each employee is charged with the responsibility and authority to produce product to defined specifications and customer requirements. However, in the event 'doing the right thing' violates a documented program, the employee is to identify the situation and contact a member of Top Management for potential system changes.

All employees are expected to possess traits such as Honesty, Integrity as well as having Moral values.

Through the application of the Key Ideas of the Quality Policy it is expected that each employee meets and exceeds our customer's expectations

The Quality Policy has been communicated to all employees via meetings and a variety of handouts and postings. Continuous evaluation during internal audits ensures the implementation and maintenance of the Quality Policy as well as the employees understanding of how they help contribute to the achievement of the Quality Objectives.

Annually, the Top Management Team will define goals and objectives that will be utilized to measure the suitability and effectiveness of the Quality Management System. The goals and objectives will be tracked quarterly and formally evaluated during the Management Reviews as a basis for continuous improvements.

2.3 Quality Management System Exclusions

There are no defined exclusions within the ISO/TS 16949 Quality Management System in place at Automation Tool & Die, Inc. However, there are some elements of the standard that are not applicable to the organizations business activities at this time. For example, the Servicing portion of section 7.5.1 is considered 'Not Applicable' to the ATD Quality Management System and business practices.

2.4 Quality Management System Documentation Structure

The structure of the quality management system documentation is as follows:

Tier I Quality Policy Manual

The governing document that defines the scope and processes of the Quality Management System.

Tier II Quality Procedures

Documents that define Who, What, and When

Tier III Work Instructions and other Process Control Documents
(Including Control Plans & Specifications)

Documents that specifically define how to complete an assigned task

Control Plans have been defined as written descriptions of the system for controlling parts and processes. Automation Tool & Die, Inc. Control Plans are comprehensive documents of product and process characteristics, process controls, tests and measurement systems that will occur during product realization.

Control Plans have been developed based on the methodology of the AIAG APQP/CP Manual. This includes the development of process flow diagrams and the generation of Failure Mode and Effects Analysis to create the Control Plans.

Tier IV Forms

Documents that promote the recording of data and information to support compliance with either ISO/TS16949:2002 or documented Quality Management System requirements

Other documents that are controlled but are not considered part of the four-tier structure include External Documents.

External Documents are those documents that Automation Tool & Die, Inc. has no authority to update or revise, but need to be controlled within the Quality Management System.

These documents include the ISO/TS 16949:2002 Standard, Industry Specifications and Standards, Text Books, Reference Manuals, Drawings and copies of documents provided by Automation Tool & Die, Inc. customers.

3.0 Control of the Quality Policy Manual

The Quality Policy Manual will be reviewed and approved by the Vice President and Quality Assurance Manager/Management Representative of the facility. The Quality Policy Manual is a controlled document that is maintained by the Quality Assurance Manager/Management Representative and distributed to the Vice President.

Other controlled copies of the Quality Policy Manual will be distributed as defined in the Master Document List (04-ATD-Q-FRM 4.2.3-1).

Copies other than those listed may be distributed but are not considered controlled. These copies are provided for reference purposes only to sources such as Customers and Third Party Assessment Body's upon the approval of the Quality Assurance Manager / Management Representative.

3.1 Quality Policy Manual Revision History

Revision History Log

Revision Level	Date	Nature of Change
0 (new)	4/30/02	Initial approved issue of the Quality Policy Manual (QS-9000)
1	10/11/02	Clarification after QMI manual review – see master for detail
2	11/11/02	Reformatting, New letter head & Spell checks
3	11/11/03	Draft Copy of the ISO/TS 16949 Quality System Manual. Complete re-issue of the 11-11-02 Quality Policy Manual to meet the requirements of the ISO/TS 16949:2002 Standard.
4	1/12/04	Clarifications and deletions to the document in order to more clearly reflect actual practices. The majority of sections were affected by this revision
5	3/11/04	Changes and Updates based on the results of the Internal Audit performed on March 8-10, 2004. For a detail of the changes see the associated Document Change Form (FRM 4.2.3-4 dated 3/11/04)
6	6/25/04	Updated relevant sections to add Engineering Manager as Top Management
7	11/9/05	Added the Maintenance Manager to Top Management (section 5.0) and updated the Scope of Registration Statements to more clearly outline the ISO 9001:2000 and ISO/TS 16949:2002 Scope statements and certificate numbers (section 2.0)
8	5/4/06	Added the Maintenance Manager to Top Management (section 2.2) for consistency with section 5.0

4.0 Quality Management System

4.1 General Requirements

The Automation Tool & Die, Inc.

- a) identifies the processes needed for the quality management system and their application throughout the facility via the System Process Model Diagram (04-ATD-Q-FRM 4.1-1)
- b) determines the sequence and interaction of these processes via the System Process Model Diagram (04-ATD-Q-FRM 4.1-1);
- c) determines the criteria and methods needed to ensure that both the operation and control of these processes are effective through the use of documented Quality Procedures, Control Plans, and Work Instructions;
- d) ensures the availability of resources and information necessary to support the operation and monitoring of these processes via Management Review Meetings, Contract Review, and Quality Planning activities;
- e) monitors, measures and analyzes these processes via the Goals and Objectives Matrix (04-ATD-Q-FRM 5.4.1-1), Management Review Meetings, Internal Audits, Corrective and Preventive Actions, and the general analysis of data;
- f) implements actions necessary to achieve planned results and the continual improvement of these processes through Management Review Meetings, Internal Audits, Corrective and Preventive Actions, and the Analysis of Data.

The processes are managed by the facilities Top Management who provide information, instruction and support to production employees.

In the event that the Automation Tool & Die, Inc. chooses to outsource any process that affects product conformity with defined requirements, Top Management shall ensure control over such processes through the initial qualification and continual monitoring of outsourced service providers (see section 7.4 of this QPM and 02-ATD-Q-PRO 7.4-1). At the present time, outsourced services are limited to design- engineering samples, heat-treating and calibration services.

4.1.1 General Requirements- Supplemental

This control does not absolve the Automation Tool & Die, Inc. facility of the responsibility to ensure conformance to customer requirements (02-ATD-Q-PRO 7.4.2 Purchasing).

4.2 Documentation Requirements

4.2.1 General

The quality management system documentation has been effectively implemented and includes

- a) documented statements supporting the quality policy and quality objectives
- b) this Quality Policy Manual
- c) documented procedures addressing the implementation of the processes stated on the System Process Model Diagram (04-ATD-Q-FRM 4.1-1) and of the ISO/TS 16949:2002 Standard requirements
- d) other process control documents (i.e. additional Quality Procedures, Control Plans and Work Instructions) needed to ensure the effective planning, operation and control of its processes, and

- e) records needed to support the implementation of the system and as required by the ISO/TS 16949:2002 Standard

4.2.2 Quality Manual

Automation Tool & Die, Inc. has established and maintains a Quality Policy Manual that includes

- a) the scope of the quality management system including details of and justification for any defined exclusions to the ISO/TS 16949:2002 Standard requirements. As stated in section 2.3 of this Quality Policy Manual, *there are no defined exclusions to the ATD Quality Management System*
- b) either reference to the documented procedures or detailed descriptions of the processes and methods to be employed
- c) a description of the interaction between the processes of the quality management system as defined in the System Process Model Diagram (04-ATD-Q-FRM 4.1-1).

4.2.3 Control of Documents

Automation Tool & Die, Inc. controls all documents required by the documented quality management system and ISO/TS 16949:2002 Standard.

Documents under formal control include the Quality Policy Manual, Quality Procedures, Control Plan Packages, Work Instructions, Forms and External Documents.

Quality Procedure (02-ATD-Q-PRO-4.2.3-1) has been established to define the control of these documents. The procedures include methods

- a) to approve documents for adequacy prior to use
- b) to review and update as necessary and re-approve documents
- c) to ensure that changes and the current revision status of documents are identified
- d) to ensure that relevant versions of applicable documents are available at points of use
- e) to ensure that documents remain legible and readily identifiable
- f) to ensure that documents of external origin are identified and their distribution controlled (see 02-ATD-Q-PRO-4.2.3-2).
- g) to prevent the unintended use of obsolete documents, and to apply suitable identification to them if they are retained for any purpose

Forms are considered a special type of document that when utilized will contain data to support compliance with planned arrangements and/or the requirements of the ISO/TS 16949:2002 Standard.

Records will be controlled through the Control of Documents Procedure (02-ATD-Q-PRO-4.2.4).

4.2.3.1 Engineering Specifications

All Customer Specifications, drawings, etc. are reviewed within 10 business days to ensure that any new or updated requirements are adequately communicated and implemented into the relevant procedure(s) and/or PPAP documentation (i.e. FMEA, Control Plans, etc.), and distributed to those personnel who need to be aware of requirements.

Records of the dates in which the changes are implemented in production will be maintained

Refer to 02-ATD-Q-PRO-4.2.3-2 for additional information.

4.2.4 Control of Records

Records are maintained in order to demonstrate conformance to specified requirements and the effective operation of the quality management system.

Automation Tool & Die, Inc. records (as defined in the Quality Records Matrix F 4.2.4) will be legible, readily identifiable and retrievable.

Quality Procedure 02-ATD-Q-PRO-4.2.4 has been established to define the controls needed for the identification, storage, protection, retrieval, retention time and disposition of records.

4.2.4.1 Records Retention

All Quality Records retention times will satisfy regulatory and customer specific requirements.

5.0 Management Responsibility

Automation Tool & Die, Inc. has defined 'Top Management' as the following staff members:

- President
- Vice President
- Materials Manager
- Quality Assurance Manager
- Office Manager
- Engineering Manager
- Maintenance Manager

5.1 Management Commitment

Top Management provides evidence of its commitment to the development and implementation of the quality management system and continually improving its effectiveness by

- a) communicating to the organization the importance of meeting customer as well as statutory (i.e. OSHA and Human resource related issues) and regulatory (i.e. EPA) requirements. This information is normally communicated via Postings, various employee meetings, and training sessions
- b) establishing the Quality Policy (see section 5.3 of this Quality Policy Manual)
- c) ensuring that quality objectives are established (see section 5.4.1 of this Quality Policy Manual)

- d) conducting management reviews (see section 5.6 of this Quality Policy Manual)
- e) ensuring the availability of resources (i.e. equipment, training, and manpower needs) is normally addressed through Management Review Meetings in which discussions are held regarding the provision of resources and the facility infrastructure.

5.1.1 Process efficiency

Top Management reviews the Product Realization Process (Quality System Process Flow Diagram 04-ATD-Q-FRM 4.1-1) as well as the Plant Layout during Management Review Meetings and through use of the Goals and Objectives Matrix (04-ATD-Q-FRM 5.4.1-1) and associated Monthly Measures assures its continued effectiveness and efficiency.

5.2 Customer Focus

Top Management ensures that customer requirements are determined and are met with the aim of enhancing customer satisfaction.

Customer Requirements are determined through Quotations, the Contract Review process (Customer Purchase Orders), as well as Customer Satisfaction and Dis-satisfaction data.

To ensure that the defined customer requirements are being met, Top Management will rely on data from the Goals and Objectives Matrix (04-ATD-Q-FRM 5.4.1-1) and customer feedback (i.e. Customer Survey Data, Customer Report Cards, Salesman communications, and customer complaints).

Actions will be taken as necessary to ensure that customer requirements are continually met and enhanced.

5.3 Quality Policy

The Quality Policy of the Automation Tool & Die, Inc. has been defined in section 2.2 of this Quality Policy Manual.

Top Management ensures that the Quality Policy

- a) is appropriate to the purpose of organization (see section 2.0 of the Quality Policy Manual)
- b) includes a commitment to comply with requirements and continually improve the effectiveness of the quality management system
- c) provides a framework for establishing and reviewing quality objectives (see section 5.4.1 of this Quality Policy Manual)
- d) is communicated and understood throughout the organization via meetings and a variety of handouts and postings. Routine interviews and evaluations during internal audits assures the continued implementation, maintenance and effectiveness of the Quality Policy.
- e) is reviewed for continuing suitability during the Management Review Meetings (02-ATD-Q-PRO-5.6-1)

5.4 Planning

5.4.1 Quality Objectives

Top Management ensures that quality objectives, including those needed to meet requirements for product, are established at relevant functions and levels within the organization.

Annually, Top Management will define goals and objectives that will be utilized to measure the suitability and effectiveness of the Quality Policy.

The goals and objectives will be tracked monthly by the Quality Assurance Manager/Management Representative and formally evaluated by Top Management during the Management Review Meetings as a basis for continual improvements (02-ATD-Q-PRO-5.6-1).

To ensure that the quality objectives are measured and are consistent with the Quality Policy, Top Management utilizes a Goals and Objectives Matrix (04-ATD-Q-FRM 5.4.1-1).

If goals and objectives are not met, either action items are assigned or statements justifying the non-action are recorded in the Management Review Meeting Minutes.

5.4.1.1 Quality Objectives- supplemental

Goals and Objectives will be identified in the Business Plan and utilized to assist in deploying the Quality Policy and its key ideas.

5.4.2 Quality Management System Planning

The Automation Tool & Die, Inc. has defined Quality Management System Planning as 'Systems Level' Quality Planning.

Systems Level Quality Planning will be initiated when new or revised programs are introduced to the existing Quality Management System

Plans to ensure the effective implementation of the new or revised system will be reviewed and discussed during Management Review Meetings (02-ATD-Q-PRO-5.6-1). Quality Procedure 02-ATD-Q-PRO-7.1-1 may also be consulted for specific processing of Quality Planning activities.

Data evaluated that may lead to the initiation of a Systems Level Planning Project includes the monitoring of goals and objectives, tracking of action items, and the assignment of quality management system projects.

Top Management ensures that the planning of the quality management system is carried out in order to meet the general requirements stated in Quality System Manual section 4.1, as well as the quality objectives.

Top Management will ensure that the integrity of the quality management system is maintained when changes to the quality management system are planned and implemented.

5.5 Responsibility, Authority and Communication

5.5.1 Responsibility and Authority

Top Management has defined the responsibilities and authorities of all employees who manage, perform and verify work affecting quality throughout the documented quality management system and employee Job Descriptions.

A Responsibility Matrix (04-ATD-Q-FRM 5.5.1-2) has been created to assist in identifying the responsibilities of all personnel.

Top Management has communicated the responsibilities and authorities via the distribution of controlled quality management system documents and the Responsibilities Matrix (04-ATD-Q-FRM 5.5.1-2).

5.5.1.1 Responsibility for Quality

The Quality Assurance Manager/Management Representative, Materials Manager and Vice President will be informed on all product, process or system related deficiencies, which are determined not to meet specified requirements within one business day.

Communication of the deficiencies may include, but are not limited to verbal means, inspection documents, reports, and/or tags.

Personnel on all shifts are *empowered* to stop production at any time in order to identify quality problems.

5.5.2 Management Representative

The Vice President has appointed the Quality Assurance Manager as the Management Representative. In this position, the Quality Assurance Manager, irrespective of other responsibilities, has the responsibility and authority for

- a) ensuring that processes needed for the quality management system are established, implemented and maintained. This is accomplished through the Management Representatives authority for internal audit, corrective action, and document control activities
- b) reporting to Top Management on the performance of the quality management system and any need for improvement through Management Review Meetings (02-ATD-Q-PRO-5.6-1)
- c) ensuring the promotion of awareness of customer requirements throughout the facility through, but not limited to: the presentation of customer satisfaction and dissatisfaction data, postings and various employee meetings.

Appointment to the position of Management Representative is expressed via the review and approval of this Quality Policy Manual.

5.5.2.1 Customer Representative

Additional responsibilities of the Management Representative will include acting as the customer's liaison in matters that relate to customer requirements. This includes the selection of special characteristics, setting quality objectives, providing training, and establishing corrective and preventive actions.

In the event customers do not specify any special characteristics, the Management Representative will be responsible for selecting the most appropriate characteristic for monitoring.

5.5.3 Internal Communication

Top Management has established and maintains appropriate communication channels via the e-mail, telephone systems and open lines of verbal communication to support the effectiveness of the Quality Management System.

The communication of the Quality Management System effectiveness is done through postings and a variety of staff and associate meetings.

5.6 Management Review

5.6.1 General

Top Management reviews the Quality Management System at a minimum of at least two times per calendar year to ensure its continuing suitability, adequacy and effectiveness.

The Management Review Meeting will include the assessment of opportunities for improvement and the need for changes to the quality management system, including the quality policy and quality objectives.

5.6.1.1 Quality Management System Performance

The Management Review Meeting will include the review of Key Process Performance Measures (04-ATD-Q-FRM 5.4.1-1) and a means for ensuring continuing suitability, effectiveness and improvement.

Measures will include Quality Objectives keyed to the Quality Policy and the evaluation of the cost of poor quality.

Results of the Management Review Meetings will be recorded to provide evidence of the review of Quality Objectives specified in the Business Plan, and Customer Satisfaction with relation to the product supplied.

5.6.2 Review Input

Inputs to Management Review Meetings include information on

- a) Internal Audits results;
- b) customer feedback;
- c) process performance and product conformity;
- d) status of preventive and corrective actions;
- e) follow-up actions from previous management reviews;
- f) changes that could affect the quality management system, and
- g) recommendations for improvement.

5.6.2.1 Review Input - supplemental

Input to the Management Review Meetings will include the analysis of returned products from customers and the discrepancies impact on quality, safety, or the environment.

5.6.3 Review Output

Output from the Management Review Meetings will include any decisions and actions related to

- a) improvement of the effectiveness of the quality management system and its processes,
- b) improvement of product related to customer requirements, and
- c) resource needs.

A detailed Quality Procedure (02-ATD-Q-PRO-5.6-1) further defines the Management Review Meeting topics and the structured agenda.

6.0 Resource Management

6.1 Provision of Resources

Resource requirements have been defined as equipment, manpower, and training needs.

Resource requirements are formally addressed during Management Review Meetings (02-ATD-Q-PRO-5.6-1) but may be identified and provided for during normal day-to-day operations.

Any associate at the Automation Tool & Die, Inc. facility may request additional resources while the Vice President, along with other staff members, have the defined responsibility and authority to determine the need for the resources and ensure that, if required, the resources are provided.

Requested resources may be needed

- a) to implement and maintain the quality management system and continually improve its effectiveness
- b) to enhance customer satisfaction by meeting customer requirements.

6.2 Human Resources

6.2.1 General

Personnel performing work affecting product quality will display competence to perform tasks based on appropriate education, training, skills and experience.

Competence is defined as demonstrated ability to apply knowledge and skills, while skills have been identified as proficiency and dexterity in performing tasks.

Competence and Skills will be assessed through on the job training, performance, and the evaluation of training effectiveness (see 02-ATD-Q-PRO-6.2.2).

6.2.2 Competence, awareness and training

Top Management will

- a) define the necessary competence for personnel performing work affecting product quality via position specific Job Descriptions and the Human Resources System

Job Descriptions will include minimum qualifications (such as education and experience) required to enter a position, while other Quality Management System Documents assist in defining the specific training and skill requirements an associate must possess prior to being considered qualified for the job task.

- b) identify and provide training to either support initial qualification or promote employee competence and development
- c) evaluate the effectiveness of the training provided

- d) ensure that its personnel are aware of the relevance and importance of their activities and how they contribute to the achievement of the quality objectives.

This may be accomplished through any of the following methods:

- Training (including Orientation and On-the Job Training)
 - A variety of Quality and/or Safety Meetings
 - Postings indicating Customer Satisfaction Levels and other performance measures keyed to the Quality Policy
 - Internal Audit Activities
- e) maintain appropriate records of education, training, skill and experience via the Control of Records Procedure 02-ATD-Q-PRO-4.2.4.

Quality Procedure 02-ATD-Q-PRO-6.2.2 has been developed to more clearly define the methods of qualification, training and determining training effectiveness.

6.2.2.1 Tooling (Product) Design Skills

Personnel with tooling (product) design responsibility will be verified as being competent to achieve customer design requirements and skilled in applicable design and development tools and techniques.

Necessary skills may include, but are not limited to the following:

- Die Design
- CAD (Modeling)
- Engineering Samples
- Troubleshooting

6.2.2.2 Training

Through the monitoring of internal process performance data, quality objectives, and customer satisfaction data, training needs will be identified and provided for, as appropriate, to improve upon customer satisfaction and dis-satisfaction levels.

Personnel performing specific tasks will be qualified, as required, with particular attention to satisfy any customer requirements.

Training will be in accordance with and to the satisfaction of customer requirements.

6.2.2.3 Training on the Job

On the job training will be provided to all personnel whose work affects product quality, other customer requirements, and/or agency issues.

Personnel receiving this training will be informed of the consequences to the customer in the event of quality deficiencies.

Consequences may include: sorting, rework, requirements for certified stock, customer visits, scrap, loss of business and poor Cost of Quality

6.2.2.4 Employee Motivation and Empowerment

Automation Tool & Die, Inc. has implemented a process to motivate personnel in order to assist in achieving quality objectives, continual improvements, and creating an environment to promote innovation.

The programs will include the promotion of quality and technology awareness throughout the whole organization.

These activities may include, but are not limited to the following:

- Improvement Suggestions
- Certificates of Achievement and Gift Certificates for achieving Quality Objectives and supporting the key ideas of the Quality Policy Statement
- Various employee functions (i.e. Luncheons, Party's)
- *Employee Motivation Surveys*
- *Inclusion / Involvement with Corrective Action, Preventive Action and Continual Improvement Projects*

Internal Audit activities will be utilized to determine whether or not personnel are aware of the importance of their job tasks and how they help contribute to the achievement of the quality objectives.

All related training, development and promotional activities are more clearly defined in 02-ATD-Q-PRO-6.2.2

6.3 Infrastructure

The Materials Manager, along with other representatives of Top Management, will determine, provide and maintain the infrastructure needed to achieve conformity to product requirements through Management Review Meetings and Quality Planning activities.

Infrastructure includes, as applicable

- a) buildings, workspace, and associated utilities
- b) process equipment (both hardware and software), and
- c) supporting services (subcontracted operations)

6.3.1 Plant, Facility and Equipment Planning

Automation Tool & Die, Inc. will utilize a multi-disciplinary approach (i.e. cross-functional teams) for the development of plant, facility and equipment plans (see Manufacturing Design in section 7.3.2.2 of this Manual and 02-ATD-Q-PRO-7.1-1).

Plant layouts will optimize material travel, handling and value-added use of floor space which will facilitate synchronous material flow.

Methods such as the review of goals and objectives during Management Review (02-ATD-Q-PRO-5.6-1) and Internal Audit activities (02-ATD-Q-PRO-8.2.2) have been developed and implemented to evaluate and monitor the effectiveness of the existing operations.

6.3.2 Contingency Plans

A contingency plan has been prepared to reasonably protect the customer's supply of product in the event of emergency, excluding natural disaster and acts of God.

The Contingency Plan will be reviewed during the Management Review Meetings (02-ATD-Q-PRO-5.6-1) and is part of the Business Plan (02-ATD-Q-PRO-5.6-2).

6.4 Work Environment

The Materials Manager, along with other representatives of Top Management, have determined and will continue to manage the work environment needed to achieve conformity to product requirements. Examples may include, but are not limited to:

- Housekeeping Audits (04-ATD-Q-FRM 6.3-1)
- Facility Safety Evaluations/Assessments and Meetings
- Employees are encouraged to provide input with regards to the improvement of the overall work environment.

6.4.1 Personnel safety to achieve product quality

Third Party Safety Assessments are performed and records maintained as a means to minimize potential risks to the employees during manufacturing process activities.

Training with relation to the safe and proper operation of manufacturing equipment is provided.

6.4.2 Cleanliness of premises

The production, distribution center, and office environments are maintained in a state of order and cleanliness appropriate to the products being produced and activities being performed.

Quarterly Housekeeping audits will be performed as defined on 04-ATD-Q-FRM 6.3-1 to assure the cleanliness of the facility.

7.0 Product Realization

7.1 Planning of Product Realization

Automation Tool & Die, Inc. has defined planning of product realization as the day-to-day 'product/process' level of quality planning.

'Product/Process' planning takes place when a new product or process is introduced, or if a product or process is significantly revised.

In planning product realization, the Quality Assurance Manager will determine the need for Quality Planning via discussions of Customer Requirements (Feasibility Reviews) and the monitoring of process data reviewed during the Management Review Meetings.

In the event that (1) new or revised requirements cannot be met through existing production operations and quality management system, or (2) that significant process changes would be required, the Quality Assurance Manager will initiate the Quality Planning activities.

The Project Team assigned, which would include cross-functional department representation, will carry out quality planning activities per the defined customer requirements.

For the non-automotive customers, Project Team will assess the following quality planning questions:

- a) the need for new and/or revised quality objectives and requirements for the product;
- b) the need to revise or establish processes, documents and provide resources specific to the product
- c) required verification, validation, monitoring, inspection and test activities specific to the product and the criteria for product acceptance;
- d) records needed to provide evidence that the realization processes and resulting product meet requirements (see 02-ATD-Q-PRO-4.2.4).

For automotive customers, the Project Team will perform quality planning activities consistent with the requirements of the AIAG APQP/CP Manual.

The output of this Product Level of planning may be the generation of new or revised quality management system documents (i.e. Control Plans, Quality Manual, Quality Procedures, Work Instructions, and Forms).

To ensure consistent output of the planning of product realization process, Project Teams will utilize formal Quality Planning Checklist (02-ATD-Q-FRM 7.1-1) for non-automotive and the AIAG APQP/CP Checklist for automotive activities).

Quality Planning activities are further defined in 02-ATD-Q-PRO-7.1-1.

7.1.1 Planning of product realization - supplemental

Any updated Customer Requirements and reference to technical specifications will be included in the planning of product realization and ultimately referenced in the new or revised Quality Management System documentation.

7.1.2 Acceptance Criteria

Acceptance criteria for all inspection and test activities are defined on the Control Plan, Customer Specifications, Work Orders and Work Instructions.

When required by contract, the customer will approve the methods of inspection and associated acceptance criteria.

Attribute data sampling criteria will be zero defects.

7.1.3 Confidentiality

Automation Tool & Die, Inc. ensures the confidentiality of customer contracted products under development and related product information through the Control of Quality Records (02-ATD-Q-PRO 4.2.4). Access to Customer Records will be limited to authorized personnel only.

In the event customers visit the ATD facility, care is taken to ensure that Sample Boards, Engineering Prints, and other customer product(s) are secured in order to maintain confidentiality.

7.1.4 Change Control

Automation Tool & Die, Inc. has developed procedures 02-ATD-Q-PRO-4.2.3-2 and 02-ATD-Q-PRO-7.1-1 to control and react to changes that impact product realization (product and manufacturing process). When either the customer or the Automation Tool & Die, Inc. facility initiates changes, the requirements of PPAP will be applied for automotive customers while the general quality planning activities will be applied to non-automotive customers.

The effects of any changes including those caused by a supplier will be assessed, verified and validated via FMEA and the re-submission of the PPAP Package for automotive Customers and through the internal processing of the Quality Planning Checklist for non-automotive customers to ensure compliance with customer requirements.

All changes will be validated prior to implementation as evident on the PPAP Submission Warrant signed by the Customer or the completed Quality Planning Checklist. The Customer will be notified of any product realization change affecting customer requirements. Customer approval will be obtained as required.

For proprietary projects, impact on form, fit, and function will be reviewed with the customer during meetings or through documented correspondence so that all effects can be properly evaluated.

When required by the customer, additional verification and/or identification requirements will be met.

7.2 Customer-Related Processes (Contract Review)

7.2.1 Determination of requirements related to the Product

The determination of customer requirements is the responsibility of the Top Management Staff.

Specific responsibilities are defined in Quality Procedures 02-ATD-Q-PRO 7.2-(1, 2 and 3).

The Top Management Staff will determine:

- a) requirements specified by the customer, including the requirements for delivery,
- b) requirements not stated by the customer but necessary for specified or intended use, where known, (*normally communicated via Customer Supplier Quality Manuals and other Specific Customer Requirements documents*)
- c) statutory and regulatory requirements related to the product, and
- d) any additional requirements determined by the Automation Tool & Die, Inc. (i.e. credit checks-confirmation of a purchase agreement to assure financial responsibility).

7.2.1.1 Customer designated special characteristics

Upon receipt of customer orders, Quality Assurance Manager will inquire and obtain any specific customer requirements, including requirements for any special characteristics.

7.2.2 Review of requirements related to the Product

Top Management will review the requirements related to the product.

This review shall be conducted prior to organization's commitment to supply a product to the customer (e.g. submission of tenders, acceptance of contract or orders, acceptance of changes to contract or orders) and shall ensure that

- a) product requirements are defined,
- b) contract or order requirements differing from those previously expressed are resolved, and
- c) Automation Tool & Die, Inc. has the ability to meet the defined requirements

Records of the results of these reviews and actions arising from the reviews shall be maintained in accordance with the Control of Quality Records Procedure 02-ATD-Q-PRO-4.2.4.

Where the customer provides no documented statement of requirement, the customer requirements shall be confirmed by Top Management prior to acceptance. All customer orders received via verbal means will require hard copy confirmation of the order requirements from the customer.

All customer orders are considered accepted contracts after being approved by Top Management as evident via signature and date on the original order document.

Where product requirements are changed, Top Management will ensure that all relevant documents are amended and that relevant personnel in the Tooling and Manufacturing Operations are made aware of the changed requirements.

7.2.2.1 Review of requirements related to the product – supplemental

Automation Tool & Die, Inc. does not currently offer Internet sales. Therefore, all requirements contained within section 7.2.2 of this Quality Policy Manual will be applied to all Customer Orders.

7.2.2.2 Organization manufacturing feasibility

The facility will investigate, confirm and document the manufacturing feasibility of the proposed products prior to contacting to produce identified products.

The Feasibility Reviews will be documented using the Team Feasibility Commitment Form (02-ATD-Q- FRM-7.2-1)

As part of the feasibility review, considerations will be given to the risks (concerns) associated with the prospective project.

7.2.3 Customer Communication

The organization has established and maintained methods for the effective communication with customers in relation to product information, customer contracts, and customer feedback/complaints.

- a) Product information is controlled and communicated to the customers via brochures, sales meetings, and the company web-site
- b) Contracts and their handling (including amendments) are communicated to the customer through 02-ATD-Q-PRO-7.2-2
- c) Customer Feedback and Complaints are communicated from the customer to the Quality and Sales. This activity is further defined in Quality Procedure 02-ATD-Q-PRO-8.5.2.

7.2.3.1 Customer communication - supplemental

The Automation Tool & Die, Inc. facility has the ability to communicate necessary information, including data, in a customer specified language and format (i.e. electronic data exchange).

7.3 Design and Development

Automation Tool & Die, Inc. has defined Design and Development activities as they relate to both Tooling Design and Manufacturing Process Design.

ATD does not have design and development responsibilities for the finished Customer Product / Part. ATD is contracted to design and build the tooling either for sale back to the customer or for utilization in the Stamping Department to manufacture customer parts with the newly designed tooling.

Sections 7.3.2.2 and 7.3.3.2 specifically address Manufacturing Process Design and would be applied for any new or revised processes or equipment introduced to the system, as well as any required Production Part Approval activities associated with the Stamping Operations.

The remaining sections would be applied to Tool Design and any associated APQP and PPAP activities needed in order for ATD to manufacture the finished customer part in-house.

7.3.1 Design and Development Planning (Tooling)

Upon receipt and review of the customer input requirements, Engineering and/or Sales personnel will initiate a Plan (04-ATD-Q-FRM 7.3-1), which controls the stages of the Design and Development activities.

The plan will include information relative to

- a) the design and development stages
- b) the review, verification, and validation requirements
- c) the responsibilities for the design and development activities

Responsibilities for the Design and Development activities may be extended to include subcontractors and require ATD interface between the different groups / functions involved with the project.

Each individual plan will be updated as the project evolves.

Manufacturing Design Planning will be accomplished via established Quality Planning Checklists and associated Management Meetings.

7.3.1.1 Multi-disciplinary approach

During the planning phase, a multidisciplinary approach (cross-functional teams) will be utilized to prepare for product realization (i.e. Tool Design and/or Stamping Operations). The teams will be responsible for the:

- Development/finalization and monitoring of special characteristics (as either dictated by the customer or selected by ATD)
- Development and review of FMEAs, including actions to reduce potential risks
- Development and review of control plans

7.3.2 Design and Development Inputs (Tooling)

Inputs have been defined as any communications with the customer. This may include but is not limited to request for quotes, purchase orders, sample parts, specifications, math data, etc.

As part of the review process, Sales and/or Engineering will ensure that the inputs contain information relative to:

- a) functional and performance requirements
- b) applicable statutory and regulatory requirements
- c) information derived from previous similar projects
- d) any other requirements essential to the design and development activity (including customer specific requirements)

All inputs will be reviewed for adequacy prior to any planning and development activities to ensure that any incomplete, ambiguous and/or conflicting information is resolved.

7.3.2.1 Tooling / Product Design Input

The review of inputs will also include:

- A review of customer specific requirements such as special characteristics, identification, traceability, and packaging
- The use of information from previous design projects, competitor analysis, supplier feedback, internal input, and field data
- Targets for quality, life, reliability, durability, maintainability, timing and cost

7.3.2.2 Manufacturing Process Design Input

Automation Tool & Die, Inc. will identify, document and review the manufacturing process design input requirements including:

- Product design output data
- Targets for productivity, process capability and cost
- Customer requirements
- Experience from previous developments

Records of the results of this review will be maintained on established Quality Planning Checklists or through associated Management Meetings.

Error proofing methodologies are considered a critical component of the manufacturing process design and will be utilized as necessary based on potential risks encountered.

7.3.2.3 Special Characteristics

Automation Tool & Die, Inc. will identify all special characteristics for products produced during Stamping Operations and:

- Include all special characteristics in the control plan
- Comply with customer specified definitions and symbols
- Identify process control documents including drawings, FMEAs, Control Plans, and operator instructions with the customers special characteristic symbol or the organizations equivalent symbol or notation to include those process steps that affect special characteristics

Special Characteristics of the Final Customer Part are evaluated during the design and development stages of Tool Design, but in most cases are not transferred to any of the Tool Design Output information and materials.

7.3.3 Design and Development Outputs (Tooling)

Outputs for the Tooling Design and Development activities (i.e. Tool Drawings) will be reviewed as part of the Design and Development Plan and include information and materials to support:

- a) compliance with all defined input requirements
- b) communications to purchasing, production and quality
- c) reference to final customer product / part acceptance criteria
- d) identify the characteristics of the tooling that are essential for its safe and proper use

7.3.3.1 Product Design Outputs – Supplemental

All Tooling / Product Design Outputs will be expressed in terms that can be verified against the input requirements.

Additional Tool / Product Design Outputs may include the following (as required by the customer):

- Design FMEA's and reliability results
- Special Characteristics and specifications
- Error proofing
- Product drawings or mathematical data
- Product Design Review Results
- Diagnostic Guidelines

7.3.3.2 Manufacturing Process Design Output

The manufacturing process design output will be expressed in terms that can be verified against manufacturing process design input requirements and validated.

The manufacturing design output may include:

- Updated facility layouts
- Records of Training
- Specifications and drawings (i.e. tooling, die and part prints)
- Flow Chart for Stamping Operations (within the PPAP Package)
- A Generic Flow Diagram for Tooling Operations
- Manufacturing Process FMEAs (only when contracted to build tools and manufacture products) for Automotive Stamping Jobs within the PPAP Package)- Not for Tool Builds Only
- Control Plan (for Stamping Operations only)
- Work Instructions (for Stamping and Tooling Operations)
- Process approval acceptance criteria (as defined by the Customer)
- data for quality, maintainability (i.e. tool refurbishing- sharpening, polishing, and perishable tooling control) and measurability (part Cpk & run at rate)
- methods of rapid detection and feedback of product and/or manufacturing process nonconformities (i.e. Die Sensors & Operator Inspection Requirements)

Manufacturing Design Outputs will be reviewed and approved on the associated Quality Planning Checklist

7.3.4 Design and Development Review (Tooling)

Tooling / Product Design and Development Reviews will be performed at established stages via the Design Plan.

Each review activity will be performed in order to:

Evaluate the ability of the design and development activities to meet requirements
Identify any problems and propose actions for resolution

Participants in these review activities will include representatives from all functions involved or concerned with the stage of the project being reviewed.

Records of the results of the reviews will be maintained in accordance with the Design and Development Plan and Quality Records Procedure (02-ATD-Q-PRO-4.2.4)

7.3.4.1 Monitoring

Tooling / Product Design and Development Monitoring will be performed as the Die Maker manufactures the individual components of the Tool. Their analysis and records of monitoring will be documented in the Design Package (specifically on the Bill of Materials).

The status or current Tooling Design Projects, as well as Quality Planning activities associated with Manufacturing Process Design will be analyzed and reported on during Management Review Meetings.

Information presented during Management Reviews may include Quality Issues, Costs, Lead Times, etc.

7.3.5 Design and Development Verification Part (Tooling)

Tooling / Product Design and Development Verification activities will be performed in accordance with the established Design Plan.

Verification of the Tool has been defined as the evaluation of Sample Parts manufactured with the Designed Tool measured against all defined input requirements.

Records of the results of the verification activities and any subsequent actions taken will be documented in the Design Package and maintained in accordance with 02-ATD-Q-PRO 4.2.4.

7.3.6 Design and Development Validation (Tooling)

Tooling / Product Validation is performed by ATD Customers in accordance with the established Design Plan.

The Validation Activities performed by the customer will ensure that the Tooling designed and developed at ATD is capable of producing the final customer product per the requirements and specifications provided at the input stage of these activities.

Customer Validation and records to support their acceptance must be received prior to the delivery or implementation of the tool in the Stamping (manufacturing) process.

Records of the Validation activities, or any resulting action items, will be maintained per 02-ATD-Q-PRO-4.2.4

7.3.6.1 Design and Development Validation – Supplemental

Records of the results of the validation activities and any subsequent actions taken will be documented on the Bill of Materials, Associated Tooling Drawings

Tool / Product Design validation will be performed in accordance with customer requirements including program timing as evident in the Bill of Materials and Design Plan

7.3.6.2 Prototype Program

When required by customers, prototypes (engineering samples) will be developed. However, since the majority of the Engineering Samples are subcontracted (02-ATD-Q-PRO 7.4-1), the same tooling and manufacturing processes may not always be utilized.

ATD will be responsible for monitoring and providing the Prototypes (Engineering Samples) to the customer in a timely fashion to assure the completion of any performance testing and conformity of product in accordance with customer requirements.

Although these activities may be subcontracted, ATD maintains primary responsibility for the conformance of requirements and technical leadership of the project.

For additional detail see 02-Q-PRO- 7.5.1-5

7.3.6.3 Product Approval Process

Automation Tool & Die, Inc. will conform to the designated product and manufacturing approval requirements recognized by the customer.

This normally includes compliance with the requirements contained within the AIAG PPAP Manual.

The requirements for product and manufacturing process approval will be applied to Automation Tool & Die, Inc. suppliers.

7.3.7 Control of Design and Development Changes (Tooling)

Tooling Design and Development changes will be tracked and identified within the Design Package.

All changes will be subject to the same review, verification and validation activities as associated with the original Tool Design and Development activities.

Consideration will be given to the effect of the change on any constituent parts and product already delivered.

Records of Tooling Design and Development changes will be properly identified and maintained per 02-ATD-Q-PRO 4.2.4.

7.4 Purchasing

7.4.1 Purchasing Process

Automation Tool & Die, Inc. ensures that purchased product (i.e. raw materials, components) and subcontracted services conform to specified purchase requirements.

The type and extent of control applied to the supplier and the purchased product are dependent upon the effect of the purchased product on subsequent product realization and the final product quality.

All suppliers are evaluated for initial, as well as ongoing performance, via 02-ATD-Q-PRO 7.4.1-1 and the following paragraphs of this Quality Policy Manual.

The Materials Manager, along with other members of Top Management, will evaluate and select suppliers based on their ability to supply products, materials and services in accordance with facility requirements.

The specific criteria for selection, evaluation and re-evaluation are more clearly defined in section 7.4.3.2 of this QPM and 02-ATD-Q-PRO 7.4.1-1

Records of the results of initial and ongoing evaluations and any necessary actions arising from these evaluations will be maintained in accordance with the Control of Records Procedure 02-ATD-Q-PRO 4.2.4.

7.4.1.1 Regulatory conformity

All purchased products and materials used in the production realization process will conform to applicable regulatory requirements.

For example, MSDS are required for any shipments of restricted, toxic, or hazardous substances.

7.4.1.2 Supplier quality management system development

Automation Tool & Die, Inc. has established and implemented a system to promote the development of our suppliers with the goal of compliance to the requirements of the ISO/TS 16949:2002 Standard.

Suppliers will be prioritized based on their current quality management systems, their overall quality performance, and the importance of the product/service supplied.

For those suppliers providing materials and/or services used for our automotive customers product, these suppliers must be third party registered to ISO 9001:2000 by an accredited third party certification body, unless waived by the customer.

With this, establishing conformity to the requirements of the ISO 9001:2000 Standard will be the first step in our supplier development process.

For suppliers providing materials and/or services utilized for our non-automotive customer product, Automation Tool & Die, Inc. will still pursue development activities with the goal of ISO/TS 16949 compliance.

Supplier development activities are more clearly defined in 02-ATD-Q-PRO 7.4.1-1

7.4.1.3 Customer approved sources

When specified in the customer contract, Automation Tool & Die, Inc. will purchase products, materials and/or services from the customer approved sources.

The use of customer-designated sources does not relieve the Automation Tool & Die, Inc. of the responsibility for ensuring the quality of purchased products.

Customer approved sources will be added to the Automation Tool & Die, Inc. Approved Supplier List and will be subject to the same ongoing performance monitoring activities as supplier's that have been approved via other means (see 02-ATD-Q-PRO 7.4.1-1).

7.4.2 Purchasing Information

Purchasing information will clearly describe the material, product, or service to be purchased, including where appropriate

- a) requirements for approval of product, procedures, processes and equipment
- b) requirements for qualification of personnel, and
- c) quality management system requirements

Purchasing activities are more clearly defined in 02-ATD-Q-PRO 7.4.2

7.4.3 Verification of Purchased Product

Automation Tool & Die, Inc. has established and implemented inspection and other activities necessary for ensuring that purchased product meets specified purchase requirements.

Purchased product may be subject to receiving inspection activities as defined in the associated Procedures, Work Instructions and/or Control Plan.

Where Automation Tool & Die, Inc. or its customer intends to perform verification at the supplier's premises, the Materials Manager will state the intended verification arrangements and method of product release in the purchasing information.

7.4.3.1 Incoming product quality

In order to assure the quality of purchased product, Automation Tool & Die, Inc. will perform one of the following incoming inspection activities:

- Receipt of and evaluation of statistical data (verification of supplier quality/test data against ATD Standards)
- Receiving inspection and/or testing performed on a sampling basis
- Evaluation of Certificates of Analysis against defined and documented Specifications
- Material/Part evaluation by a designated Laboratory to confirm data provided by the supplier

Inspection methods other than the aforementioned must be agreed and approved by the customer

7.4.3.2 Supplier Monitoring

Automation Tool & Die, Inc. monitors the ongoing performance of its suppliers as a means of ensuring that the suppliers are consistently providing products and services that meet specified purchase order requirements.

The methods and criteria for monitoring include, but may not be limited to:

- Delivered product quality
- Customer complaints and/or disruptions including field returns from the end user
- Delivery schedule performance (including incidents of premium freight)
- Special status customer notification related to quality or delivery issues.

Automation Tool & Die, Inc. will promote supplier monitoring of the performance of their manufacturing processes (02-ATD-Q-PRO 7.4.2)

7.5 Product Provision

At the present time, service provisions are not applicable to the Automation Tool & Die, Inc. Scope of Operations and therefore have not been identified in this section of the Quality Policy Manual.

In the event that Servicing Provisions become a necessary requirement of the Quality Management System, this section of the Quality Policy Manual will be updated and related procedures developed.

7.5.1 Control of Production Provision

Automation Tool & Die, Inc. has planned and carries out production provisions under controlled conditions. Controlled conditions are identified in the System Process Model Diagram (04-ATD-Q-FRM 4.1-1) and will include

- a) the availability of information on Work Orders (which dictate product to be manufactured and any special instructions), Control Plans, and other Quality System documents that describe the characteristics of the product,
- b) the availability of work instructions (as necessary),
- c) the use of suitable production equipment capable of producing products to defined specifications,

New Equipment is Qualified via research, trials, capability studies, and discussions held during Staff or Management Review Meetings.

System Level Quality Planning activities may be utilized to assist in addressing the addition of potential new or updated equipment.

- d) the availability and use of monitoring and measuring devices (see 02-ATD-Q-PRO 7.6-1),
- e) the implementation of monitoring and measurement through inspection and testing as defined in 02-ATD-Q-PRO 8.2.4 (Inspection and Testing),
- f) the implementation of release and delivery activities as stated in 02-ATD-Q-PRO 7.5.5-1 (Preservation of Product).

7.5.1.1 Control Plan

Control Plans will be developed at the system level for the product supplied.

Production Control Plans will be developed for Stamping Operations and take into consideration all Manufacturing Process FMEA outputs.

Pre-Launch Control Plans will be developed as required by our Customers.

Control Plans will include:

- A list the controls used for the manufacturing process
- Methods for monitoring controls exercised over special characteristics defined by both the customer and Automation Tool & Die, Inc.

- Customer required information (if any)
- The initiation of reaction plans when the process becomes unstable or not statistically capable.

Control Plans will be reviewed and updated when any change occurs affecting product, manufacturing process, measurement, logistics, supply sources or FMEA.

7.5.1.2 Work Instructions

Automation Tool & Die, Inc. has prepared work instructions for all employees having responsibility for the operation of processes that impact product quality.

Work Instructions are accessible at the designated Work Stations.

Work Instructions have been derived from the FMEA outputs (i.e. Control Plan) and production realization process (System Process Model Diagram 04-ATD-Q-FRM 4.1-1).

7.5.1.3 Verification of job set-ups

Job set-ups will be verified whenever there is an initial run of a job, material change over, or job change.

Work Instructions are available for personnel responsible for set-up activities.

Statistical methods of verification will be utilized where applicable.

7.5.1.4 Preventive and predictive maintenance

Automation Tool & Die, Inc. has identified Key Process Equipment and provides resources for machine/equipment maintenance.

An effective planned total preventive maintenance system has been established and will include:

- Planned maintenance activities
- Packaging and preservation of equipment, tooling and gauging
- Availability of replacement parts for key manufacturing equipment
- Documenting, evaluating and improving maintenance objectives

Predictive Maintenance methods have been established to continually improve the effectiveness and the efficiency of the production equipment.

Predictive Maintenance activities may include, but are not limited to Oil Analysis, Vibration Analysis, Infrared Analysis/Thermal Imaging, and the analysis of previous Scheduled and Un-scheduled Maintenance activities.

Outside Services providing the Predictive Maintenance activities are maintained via the Approved Supplier List (see 02-ATD-Q-PRO 7.4.1-1).

Preventive Maintenance activities are further defined in Procedure (02-ATD-Q-PRO 7.5.1-4)

7.5.1.5 Management of production tooling

Automation Tool & Die, Inc. has provided resources for tool and gauge fabrication and verification activities.

A Production Tooling Management System has been developed and includes:

- Maintenance and repair facilities and personnel
- Storage and recovery
- Set-up instructions
- Tool-change programs for perishable tooling
- Tool modification documentation including engineering change level
- Tool identification including status (i.e. production, repair, disposal)

If any of the aforementioned activities are outsourced, the outsourced activities and suppliers will be controlled and monitored via the Supplier Evaluation Procedure (see section 7.4 of this Quality Policy Manual).

A documented procedure 02-ATD-Q-PRO 6.3-1 has been established to further define the system for monitoring Tooling Management.

7.5.1.6 Production scheduling

Production will be scheduled in order to meet customer requirements.

All production scheduling is order driven and is supported by an information system that permits access to production information at key stages of the process.

7.5.1.7 Feedback of information from service

Since Service activities are not included in the Scope of Operations for Automation Tool & Die, Inc., this particular requirement has been determined to be not applicable at this time.

In the event servicing becomes a necessary requirement, actions will be taken to address the requirements contained within this section of the ISO/TS 16949 Standard.

Information relative to all customer complaints and concerns will be addressed in accordance with 02-ATD-Q-PRO 8.5.2 Corrective Action.

7.5.1.8 Service agreement with customer

As previously stated, the Automation Tool & Die, Inc. Scope of Business Operations does not offer servicing beyond the manufacture and delivery of completed product.

With this, the requirements of this section of the ISO/TS 16949 Standard are considered not applicable.

7.5.2 Validation of Processes for Production Provision

Automation Tool & Die, Inc. validates all processes for production provision where the resulting output cannot be verified by subsequent monitoring or measurement activities (i.e. destructive and non-destructive testing).

This includes the testing of products produced from any processes where deficiencies may only become apparent only after the product is in use.

Special Processes may include, but are not limited to heat treating, plating, and welding.

Validation activities will demonstrate the ability of the processes to achieve planned results and will include:

- a) Defined criteria for the review and approval of the processes as evident during Quality Planning activities
- b) Approval of equipment and personnel via Quality Planning, Calibration, and Training

The requirements for any qualifications of process operations, including associated equipment and personnel will be initially determined through 02-ATD-Q-PRO 7.1-1 (Quality Planning) and 02-ATD-Q-PRO 6.2.2 (Human Resources).

- c) Use of specific methods and procedures as defined within the documented QMS and external documents defining common industry practice
- d) Records of the equipment and/or employee qualifications and test results will be maintained in accordance with the Control of Records Procedure 02-ATD-Q-PRO 4.2.4.
- e) Re-validation of equipment and employees will be handled through ongoing testing and inspection of the product, as well as ongoing employee training and re-qualifications of personnel.

7.5.2.1 Validation of processes for production provision- Supplemental

Specific process re-validation activities will be accomplished through the quarterly review of CpK data and, when required by contract, annual part layouts

7.5.3 Identification and Traceability

Automation Tool & Die, Inc. has identified all products by suitable means (i.e. tags, markings, labels, supplier/customer markings) throughout the product realization process.

Automation Tool & Die, Inc. identifies the product status with respect to monitoring and measurement requirements via stickers, labels, and/or associated quality records.

Products whose identification and inspection status cannot be verified will be handled in accordance with the Control of Nonconforming Product Procedure 02-ATD-Q-PRO 8.3.

When traceability is a specified customer and/or industry requirement, Automation Tool & Die, Inc. will control and maintain the unique identification of the product via heat numbers, lot numbers, work order numbers of raw materials and/or products on associated quality records.

7.5.3.1 Identification and traceability - supplemental

All Product will be properly identified to support identification and traceability.

Production Identification and Traceability is further defined in 02-ATD-Q-PRO 7.5.3-1

7.5.4 Customer Property

Automation Tool & Die, Inc. may accept customer owned raw materials, tooling, and/or returnable containers for processing to complete any customer contract and product realization requirements.

Specific requirements for communicating customer property issues will be established at contract review and conveyed to the quality and/or manufacturing departments.

While under Automation Tool & Die, Inc. control, the customer product will be identified, verified, protected and safeguarded as if it were actually Automation Tool & Die, Inc. owned material.

If any customer property is lost, damaged or otherwise found to be unsuitable for use, the situation will be reported to the customer for disposition and records maintained in accordance with the Control of Records Procedure 02-ATD-Q-PRO 4.2.4.

7.5.4.1 Customer owned tooling

Customer owned packaging, tools, fixtures and/or equipment provided by the customer will be permanently marked so that the ownership of each item visible and apparent.

7.5.5 Preservation of Product

Automation Tool & Die, Inc. will preserve the conformity of product during internal processing up to the delivery of product to its intended destination.

The Automation Tool & Die, Inc. policy is that the protection of the quality of the product ceases once the product is loaded onto the delivery vehicle and signed for by the transportation service (FOB ATD Dock).

Per contractual agreements, the responsibility for the quality of product may be extended to include delivery to destination (FOB Customer Dock).

As business practices dictate, Automation Tool & Die, Inc. will assist in the investigation of any customer claims resulting from possible subcontractor transit damage.

Quality Procedure 02-ATD-Q-PRO 7.5.5-1 has been established to ensure that preservation includes the identification, handling, packaging, storage and protection of products.

7.5.5.1 Storage and inventory

In order to detect deterioration, the condition of product in stock will be assessed on a daily basis by all employees, and formally evaluated during the annual inventory activities.

An Inventory Management System (02-ATD-Q-PRO 7.5.5-2) has been established to:

- optimize inventory turns over time
- assure stock rotation

Any obsolete products will be controlled via the associated Nonconforming Product procedures (see section 02-ATD-Q-PRO 8.3)

7.6 Control of Monitoring and Measuring Devices

Automation Tool & Die, Inc. has determined the monitoring methods and measurement requirements for production realization activities and has identified the monitoring and measuring devices needed to provide evidence of product conformity to defined customer and/or industry requirements.

Automation Tool & Die, Inc. has established processes to ensure that monitoring and measurement activities can be carried out and are carried out in a manner that is consistent with the monitoring and measurement requirements.

In order to validate monitoring and measurement results, measuring equipment shall

- a) be calibrated or verified at specified intervals, or prior to use, against measuring standards traceable to international or national measurement standards; where no such standards exist, the basis used for calibration or verification shall be recorded;
- b) be adjusted or re-adjusted as necessary;
- c) be identified to enable the calibration status to be determined
- d) be safeguarded from adjustments that would invalidate the measurement result;
- e) be protected from damage and deterioration during handling, maintenance and storage.

In addition, Automation Tool & Die, Inc. will assess and record the validity of the previous measuring results when the equipment is found not to conform to requirements. Appropriate actions will be taken on the equipment and any product affected.

When software is utilized in the monitoring and measurement of specified requirements, the ability of the software to satisfy the intended application shall be confirmed (re: CMM). This shall be undertaken prior to initial use and reconfirmed as necessary. In the event of nonconformities, product measures are obtained and alternate inspection methods utilized to either prove a programming error or confirm nonconforming product.

Records of the results of calibration and verification will be maintained in accordance with the Control of Records Procedure 02-ATD-Q-PRO 4.2.4.

Quality Procedure 02-ATD-Q-PRO 7.6-1 has been developed to address the calibration requirements.

7.6.1 Measurement system analysis

Statistical studies are conducted to analyze the variation present in the results of each type of measuring and test equipment system.

Measurement system analysis, which may include but is not limited to bias, linearity, stability, repeatability and reproducibility studies, are conducted on all measurement systems referenced in the Control Plans.

The analytical methods and acceptance criteria used will conform to those specified by customer. Other methods may be utilized but only after obtaining approval from the customer.

7.6.2 Calibration / verification records

Calibration and/or verification records will provide evidence of conformity of product to established requirements. Records will include the calibration of employee owned and customer owned equipment, as applicable.

The Calibration and/or verification records will include:

- Equipment identification
- Reference to the master calibration device
- Revisions following product changes
- As received 'Out of Specification' readings
- Assessment of the impact of out of specification conditions
- Statements of conformity
- Notification to customer in the event suspect product or material may have been released

7.6.3 Laboratory requirements

7.6.3.1 Internal Laboratory

The Automation Tool & Die, Inc. facility operates Dimensional/Layout Laboratory and a Calibration Laboratory.

Each Laboratory has a defined Laboratory Scope, which includes its capabilities to perform inspection, testing and calibration activities. The Laboratory Scopes are defined in reference procedure 02-ATD-Q-PRO 7.6-2.

The Laboratory includes technical requirements specific to:

- Laboratory procedures appropriate to the purpose of the related task
- Competency and Qualifications of Laboratory personnel
- Calibration of Equipment and Layout of the Product
- Capabilities to perform Laboratory activities (as defined in the laboratory scope) traceability to relevant process standards
- A review of Calibration and Layout records

7.6.3.2 External Laboratory

External, Commercial, or Independent Laboratory facilities that may be utilized for inspection, testing or calibration activities beyond Automation Tool & Die, Inc. Internal Laboratory capabilities will have defined scopes.

Automation Tool & Die, Inc. will maintain copies of the External Laboratory Scope Statements along with the following information:

- Evidence of their customer acceptance, or
- Evidence of accreditation to ISO/IEC 17025 or national equivalent (i.e. A2LA)

8.0 Measurement, Analysis and Improvement

8.1 General

Automation Tool & Die, Inc. has planned and implemented the monitoring, measurement, analysis, and improvement processes needed

- a) to demonstrate conformity of the product through the evaluation of product inspection and test data, and statistical techniques associated with product characteristics (02-ATD-Q-PRO 8.2.4).
- b) to ensure conformity of the quality management system through Internal Audit activities, Management Review Meetings and associated agenda items (02-ATD-Q-PRO 5.6-1, 02-ATD-Q-PRO 8.2.2, and 04-ATD-Q-FRM 5.4.1-1)
- c) to continually improve the effectiveness of the quality management system during the Management Review Meetings, associated opportunities for improvement, and any resulting action items

In order to obtain this information, the Quality Assurance Manager along with Top Management will determine the applicable collection methods, including statistical techniques, and the extent of their use during Management Review Meetings.

8.1.1 Identification of statistical tools

Statistical Tools will be implemented and maintained for processes determined by Quality Assurance Manager as requiring additional controls for problem resolution or problem identification.

The selection of the most appropriate statistical tool will be determined during Quality Planning activities and will be identified in the associated Control Plan and/or Work Instruction.

8.1.2 Knowledge of basic statistical concepts

Automation Tool & Die, Inc. ensures that basic statistical concepts (such as variation, control, stability, process capability, and over-adjustment) are understood and utilized throughout the organization.

Production employees having the responsibility for the control and maintenance of particular statistical techniques will be provided the necessary training.

8.2 Monitoring and Measurement

8.2.1 Customer Satisfaction

As one of the measurements of the performance of the quality management system, Customer satisfaction will be analyzed via data from customer surveys made available through the ATD website.

Trends in customer satisfaction are documented and reviewed for improvement opportunities during Management Review Meetings.

Actions (either corrective or preventive) will be taken as appropriate.

The methods for obtaining and using customer satisfaction information are more clearly defined in 02-ATD-Q-PRO 8.2.1.

8.2.1.1 Customer satisfaction - supplemental

Customer satisfaction may also be monitored through the continual evaluation of performance data related to the production realization process.

Performance indicators are based on objective data and include, but are not limited to:

- Delivered part quality performance
- Customer disruptions (including field returns)
- Delivery schedule performance (including incidents of premium freight)
- Customer notifications related to quality or delivery issues

8.2.2 Internal Audit

Automation Tool & Die, Inc. has established and maintains a comprehensive internal audit program. This program has been implemented to ensure that regular, systematic and constructive quality evaluations are performed to ensure the on-going effective operation of the quality system. Documented Procedure 02-ATD-Q-PRO 8.2.2 has been established to control the planning, implementing, and conduct of internal audits.

Internal audits are performed in order to verify whether quality activities and related results comply with planned arrangements and to determine the effectiveness of the quality system.

At a minimum, each key process will be audited one time per year. During the auditing of the key processes, consideration will be given all requirements of the ISO/TS 16949:2002 Standard.

The Internal Audit Schedule will be based on the status and importance of the activity/process to be audited. The audit frequency will be increased or decreased based on performance data, management directives, and internal/external nonconformances, including the results of previous internal audits.

The responsibilities, requirements, criteria, scope, methods for planning and conducting audits, reporting results and maintaining records is defined in Documented Procedure 02-ATD-Q-PRO 8.2.2.

Internal audits will be carried out by personnel who are independent of those having direct responsibility for the activity/process being audited. The Quality Assurance Manager/Management Representative will select independent auditors to perform objective and impartial audits, and ensure that Internal Auditors do not audit their own work.

The results of the internal audits will be recorded and brought to the attention of the personnel having responsibility in the area audited.

The management personnel responsible for the area being audited will ensure that actions are taken without undue delay to eliminate any identified nonconformities and their causes.

Follow-up activities will be performed and include the verification of the corrective actions taken and the reporting of verification results (see 02-ATD-Q-PRO 8.5.2 Corrective Action).

8.2.2.1 Quality Management System Audit

As previously stated, all requirements of the ISO/TS16949: 2002 Standard will be addressed throughout the performance of the key process auditing.

8.2.2.2 Manufacturing Process Audit

As indicated in the Internal Audit Schedule, each manufacturing process will be subject to being audited during the normal course of systems audits.

This auditing will assure that specific manufacturing activities are being complied with.

8.2.2.3 Product Audit

Product Audits (or Dock Audits) are performed at monthly to confirm the overall compliance of finished product with customer requirements.

These audits will include a review of the product, packaging, and labeling. Dock Audit criteria is more clearly defined in 03-ATD-Q-WIN 8.2.2-1

8.2.2.4 Internal Audit Plans

The Master Audit Schedule will ensure that all key processes, related activities, and shifts are subject to the Internal Audit activities.

The Master Audit Schedule will be developed annually and updated as the audits are performed to ensure that additional emphasis is placed on those processes with less than satisfactory results.

The audit frequency will be increased as a result of any internal/external nonconformities or customer complaints.

8.2.2.5 Internal Auditor Qualification

Internal Auditors will be qualified to perform audits based on an auditor training and qualification process, which includes a review of:

- ISO 19025
- ISO/TS 16949:2002
- AIAG Core Tools Training
- the Automation Tool & Die, Inc. documented quality management system, and
- the performance of an internal audit under the supervision of a qualified auditor.

Auditors who have attended an accredited RAB Internal Auditor Course or that have attended the 5-Day Lead Assessor Course will only be required to become familiar with the Automation Tool & Die, Inc. documented Quality Management System and associated processes (see the System Process Model Diagram- 04-ATD-Q-FRM 4.1-1)

Records of Qualified Auditors are maintained by Human Resources per (02-ATD-Q-PRO 4.2.4 Control of Records and 02-ATD-Q-PRO 6.2.2 Human Resources).

8.2.3 Monitoring and Measurement of Processes

Automation Tool & Die, Inc. has applied suitable methods for monitoring and, where applicable, measurement of the quality management system processes. These methods shall demonstrate the ability of the processes to achieve planned results.

Methods will include Internal Audits, Management Review Meetings, the review of Corrective and Preventive Action projects, and the Goals and Objectives Matrix (04-ATD-Q-FRM 5.4.1-1).

When planned results are not achieved, corrective action will be taken to ensure conformity of the process.

8.2.3.1 Monitoring and measurement of manufacturing processes

For all new manufacturing processes introduced to the quality management system, process studies will be performed to ensure and verify process capabilities and provide additional input for process control.

The results of the process studies will be documented on a Quality Planning Check Sheet and reference or contain information which supports required production activities, measurements, inspections, and maintenance instructions.

The documents may include but not be limited to objectives for manufacturing process capability, reliability, maintenance, availability, and acceptance criteria.

Automation Tool & Die, Inc. will maintain process capability or performance as specified by our customer's part approval process requirements.

Automation Tool & Die, Inc. ensures that the associated Control Plans, Work Instructions, and process flow diagrams are implemented and include:

- Measurement techniques
- Sampling plans
- Acceptance criteria
- Reaction plans when acceptance criteria are not met

Significant process events such as tool change or machine repair will be recorded on the associated control chart or data collection device.

Automation Tool & Die, Inc. initiates reaction plans from the control plan for characteristics that are either not statistically capable or are unstable. These reaction plans will include the containment of product and 100% inspection.

A corrective action plan must be completed indicating specific timing and assigned responsibilities to assure that the process becomes stable and capable.

When required contractually, the corrective action plan will be reviewed with and approved by the customer.

Records will be maintained of the effective dates of all process changes.

8.2.4 Monitoring and Measurement of Product

Automation Tool & Die, Inc. will monitor and measure the characteristics of the product to verify that product requirements have been met. Monitoring and Measuring activities will be carried out at appropriate stages of the product realization process in accordance with the planned arrangements defined in the System Process Model Diagram (04-ATD-Q-FRM 4.1-1) and other Process Control Documents.

Evidence of conformity with the acceptance criteria as well as the personnel authorizing the product release will be maintained on quality records.

Product release and delivery will not proceed until the planned arrangements have been satisfactorily completed, unless otherwise approved by a relevant authority and, where applicable, by the customer.

8.2.4.1 Layout inspection and functional testing

When required by the customer, a layout inspection and functional verification to applicable customer engineering material and performance standards will be performed for each product as specified on the control plan.

Results of the layout inspection and functional verification will be maintained and made available to the customer upon request.

8.2.4.2 Appearance Items

When the customer designates a product as an 'appearance item,' Automation Tool & Die, Inc. will provide:

- Appropriate resources including lighting for evaluation
- Masters for color, grain, metallic brilliance, texture, distinctness of image (DOI)
- Maintenance and control of appearance masters and evaluation equipment
- Verification that personnel making appearance evaluations are competent and qualified to do so

8.3 Control of Nonconforming Product

The Quality Assurance Manager will ensure that product which does not conform to product requirements is identified and controlled to prevent its unintended use or delivery. The controls and related responsibilities and authorities for dealing with nonconforming product are defined in Documented Procedure 02-ATD-Q-PRO 8.3

Automation Tool & Die, Inc. has defined potential dispositions of nonconforming product as:

- Reject (Scrap or Return to Stock)
- Rework
- Use as is (Customer Authorized Deviation)
- Re-Application to another Customer Order

Records of the nature of nonconformities and any subsequent actions taken, including deviations obtained, will be maintained in accordance with the Control of Records Procedure 02-ATD-Q-PRO 4.2.4.

When nonconforming product is re-worked it will be subject to re-verification (inspection and test) to demonstrate conformity to the requirements prior to release.

When nonconforming product is detected after delivery or use has started, Automation Tool & Die, Inc. will take actions appropriate to the effects, or potential effects, of the nonconformity (Corrective Action Procedure 02-ATD-Q-PRO 8.5.2).

8.3.1 Control of nonconforming product - supplemental

All products with an un-identified or suspect status will be classified and handled as if it were nonconforming material.

8.3.2 Control of reworked product

Instructions for re-work requirements are accessible via the Work Order Packet and/or on the NC Tags.

8.3.3 Customer Information

Customers will be informed within 24 hours of identification that nonconforming product has accidentally been shipped.

A record of this communication by Quality Assurance will be maintained via e-mail communication in the Part Files in accordance with the Control of Records Procedure (02-ATD-Q-PRO 4.2.4).

8.3.4 Customer waiver

Customer deviations will be obtained prior to further processing whenever the product or manufacturing process is found to be different from that which is currently approved.

Automation Tool & Die, Inc. maintains records of the expiration date and quantity authorized for all product deviations.

Once the authorized deviation expires, Automation Tool & Die, Inc. will ensure compliance with the original or superseding specifications and requirements.

All product shipped under an authorized deviation will be identified to indicate the product deviation on each shipping container.

The process of obtaining authorized deviations may also be applied to purchased products, which do not conform to specified requirements. Automation Tool & Die, Inc. will agree with any request from its suppliers before submission to the customer.

8.4 Analysis of Data

The Quality Assurance Manager, along with representatives from Top Management will determine, collect and analyze appropriate data to demonstrate the suitability and effectiveness of the quality management system.

Based on the data evaluated, continual improvement activities may be initiated to enhance the effectiveness of the quality management system.

Data evaluated may come from, but is not limited to, monitoring and measurement data, and data from other relevant sources (i.e. Benchmark Data, Customer Report Cards).

The analysis of this data will provide Top Management information relating to:

a) Customer Satisfaction

Data evaluated to support Customer Satisfaction includes:

- Management Review Meeting Minutes
- Customer Surveys
- Customer Satisfaction Reports

b) Conformity to product requirements through inspection and test data

c) Characteristics and trends of processes and products including opportunities for preventive action.

Data evaluated to support trends in processes and products includes:

- Management Review Meeting Minutes,
- Statistical Data,
- Quality Reports,

- Goals and Objectives Matrix (04-ATD-Q-FRM 5.4.1-1), and
- Other Inspection Records

d) Suppliers

Data evaluated to support Supplier performance includes:

- Supplier Claims
- Supplier Corrective Actions,
- Supplier Performance Reports

8.4.1 Analysis and use of data

Trends in Quality and Operational performance are compared with progress towards objectives (as detailed on the Goals and Objectives) and lead to action to support:

- The development of priorities for prompt solutions to customer-related problems

Customer Complaints are quantified and tracked on Pareto Charts for the purpose of identifying customer-related problems. Actions will be initiated as determined by Top Management.

- Determination of key customer related trends and correlation for status review, decision making and longer-term planning

Information relative to customer related trends will be addressed during the Management Review Meetings (02-ATD-Q-PRO 5.6-1) with the intent of applying necessary resources and making potential adjustments for long term planning to enhance our ability to meet customer requirements

- An information system for the timely reporting of product information arising from customer usage.

Customers are communicated with relation to product information via the Contract Review (02-ATD-Q-PRO 7.2-2) and the Corrective Action System.

8.5 Improvement

8.5.1 Continual Improvement

The Quality Assurance Manager, along with Top Management, will implement actions to continually improve the effectiveness of the quality management system.

Continual Improvement opportunities may be initiated during the review of the quality policy, quality objectives, audit results, analysis of data, corrective and preventive actions and management review.

Other examples of how Continual Improvement projects are initiated may come from, but are not limited to:

- Benchmarking,
- Technical literature,
- Professional Organization Meetings (i.e. ASQ),
- Tours of facilities either inside or outside our industry,

- Seminars / Development Training,
- Trade Shows
- Customer or Vendor recommendations
- High RPN's on FMEA

The output of Continual Improvement projects will lead to the potential improvement of:

- Productivity,
- Safety,
- Quality,
- Work Environment,
- Cost Savings,
- The overall effectiveness of the quality management system

8.5.1.1 Continual Improvement of the organization

Automation Tool & Die, Inc. has implemented and maintains a documented procedure 02-ATD-Q-PRO 8.5.1 to control the application and handling of Continual Improvement Projects through completion.

8.5.1.2 Manufacturing process improvement

Manufacturing process improvements continually focus on the control and the reduction of variation in product characteristics and manufacturing process parameters.

8.5.2 Corrective Action

Corrective Actions are initiated to address 'known' process and product nonconformances.

Automation Tool & Die, Inc. will initiate corrective actions to eliminate the cause of these nonconformities in order to prevent their recurrence.

Corrective actions taken will be appropriate to the effects of the nonconformities encountered.

A documented procedure (02-ATD-Q-PRO 8.5.2) has been established to define requirements for

- a) reviewing nonconformities (including customer complaints)
- b) determining the causes of nonconformities (root cause investigation),
- c) evaluating the need for action to ensure that nonconformities do not recur (short-term or interim action),
- d) determining and implementing action needed (deciding upon the long-term actions),
- e) recording the results/implementation of action(s) taken, and
- f) verifying the effectiveness of the corrective action(s) taken.

8.5.2.1 Problem Solving

Disciplined problem solving methods will be applied to assist in identifying the root cause of the nonconformance and assist in determining the corrective actions to be taken.

Problem solving methods may include but are not limited to:

- 8-D
- Brainstorming
- Root Cause Analysis Form
- Evaluation of similar corrective actions

In the event that the customer prescribes their own problem solving method, Automation Tool & Die, Inc. will adhere to the customers prescribed methodology.

8.5.2.2 Error-proofing

Error proofing is the result of systematic evaluations of problems with actions taken to re-design the system or the process to assure that the possibility of nonconformances does not recur.

Error proofing methodology is always taken into consideration as part of the Corrective Action process.

8.5.2.3 Corrective Action Impact

Corrective Actions taken will be applied to other similar processes and products, as applicable, to prevent the recurrence of similar nonconformities.

8.5.2.4 Rejected Product Test / Analysis

Automation Tool & Die, Inc. will analyze rejected parts returned from the customer's manufacturing plants, engineering facilities, and/or dealerships.

Based on the nature of nonconformances, improvements in the amount of time spent analyzing the root cause, may not be possible. However, every effort will be made to improve this measure.

The process for performing the analysis/testing is more clearly defined in 02-ATD-Q-PRO 8.3

Based on the results of the product test /analysis, corrective actions may be initiated to prevent recurrence of the nonconforming situation.

Records of the product test /analysis will be maintained on a Returned Material Authorization in accordance with the Control of Records Procedure.

Records will be made available to the customer upon request.

8.5.3 Preventive Action

Preventive Actions are initiated based on trends in data evaluated that may indicate the 'potential' for nonconformities in the process or with the product.

The Quality Assurance Manager/Management Representative along with Top Management will determine the actions to be taken to eliminate the causes of these 'potential' nonconformities in order to prevent their occurrence.

Preventive actions will be appropriate to the effects of the potential nonconformities.

A documented procedure (02-ATD-Q-PRO 8.5.3) has been established to define the requirements for:

- a) determining the potential nonconformities and their causes,
- b) evaluating the need for action to prevent occurrence of nonconformities (project approval),
- c) determining and implementing action(s) needed (steps to be taken),
- d) recording the results of action taken (implementation), and
- e) reviewing preventive action taken (verification of the effectiveness in achieving the preventive action goal).

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