Assessment Report

G & R Cold Forging, Inc.

Report Author

Prince Peter

Visit Start Date

06/16/2010

Introduction

This report has been compiled by Prince Peter and relates to the assessment activity detailed below:

Visit ref/Type/Date/Duration	Certificate/Standard	Site address
7448893 Continuing Assessment (Surveillance) 06/16/2010 2 day(s) No. Employees: 38	TS 543508 ISO/TS 16949:2009	G & R Cold Forging, Inc. 7072 Smith Industrial Drive McGregor Ontario N0R 1J0 Canada

Client management system version(s):

QMS - July 20, 2009

Audit of the continuing suitability and continued effective implementation of the Quality Management System of G &R Cold Forging, McGregor, ON in meeting the requirements of ISO/TS16949:2009, plus associated support documentation and additional customer requirements (as appropriate), company objectives, policies and procedures

Management Summary

The areas assessed during the course of the visit were generally found to be effective.
Weakness seen in implementing product approval process as per customer requirements. The effectiveness of corrective actions to address this issue will be reviewed with an onsite visit planned on Aug 30, 2010.

There were no outstanding nonconformities to review from previous assessments.

Both major nonconformities and minor nonconformities requiring attention were identified. These, along with other findings, are contained within subsequent sections of the report.

A minor nonconformity relates to a single identified lapse in the management system. A major nonconformity indicates a breakdown in the management system's ability to effectively control the processes for which it was intended. The identification of a major nonconformity places the validity of certification at risk. It is necessary to investigate the underlying cause of any nonconformity to determine corrective action. The proposed action will be reviewed for effective implementation at the next assessment.

Please submit a plan to BSI detailing the nonconformity, the cause and your proposed corrective action, with responsibilities and timescales allocated. The plan is to be submitted no later than 07/07/2010 by e-mail or fax to your assessor, referencing the report number. Please send to prince.peter@bsigroup.com .

An additional 0.5 day visit over and above the continuing assessment plan will be necessary to verify that the planned corrective action has been effectively implemented. This visit will take place on 08/30/2010.

Areas Assessed & Findings

Changes to QMS

There has been some addition to employee numbers (8 employees from last audit to 38 employees at this manufacturing site). The site now operates 3 shifts (7:00 AM - 3:30 PM, 3:30 PM - 12:00 PM and 11:00 PM to 7:30 AM). The audit man day calculation was revisited and the audit was increased to 2 days. No changes to the scope and support location links.

Management Process - (Customer Satisfaction, KPI's, Management Review, Internal Audit, Corrective/Preventive Actions and Continual Improvement) 8.2.1, 5.6, 8.2.2, 8.4, 8.5

G & R - Plant 1 is a Tier 2 supplier supplying automotive components to its Tier 1 customers. Customer satisfaction is measured through customer score cards where issued and internally monitored where not issued. No score cards were available from customers. Customer issues are logged on the corrective action log. Customer on time delivery is 100%. Customer PPM was 672 ppm against the goal of 11 PPM. These customer issues are addressed through corrective action process.

Plant KPI's are identified through corporate and the plant monitors this on a monthly basis. Indicators include Plant Efficiency, Scrap %, Cost of Poor quality, Rework and sorting hours, customer PPM, Delivery performance, Continuous improvement savings, Injury and Incident rate. Data is collected and monitored on a monthly basis. However there was no action plan seen for metrics not met. Example - Customer ppm is above the target for the year with no systemic actions seen in the management review. Management review does not capture all of the inputs and outputs consistently. Example Internal audit outputs are not input to management review. A nonconformity is raised to this effect.

The inputs to corrective actions include internal audit issues, supplier issues and customer issues. Corrective actions were sampled based on leads from customer complaints. There is a weakness seen in verification to the effectiveness of corrective action taken. Refer to NCR.

Internal audits are planned and conducted per an annual schedule. Process approach auditing is performed using the 'Turtle approach". The outputs from the audits are input to corrective action. Product audit and manufacturing process audits are done and records of the same were reviewed.

Continual improvement programs/ projects are identified by corporate. Projects identified corporate include cost saving initiatives, productivity improvements etc.

Process Design/ PPAP (Links to Corporate) 7.3

APQP process is managed from Corporate. This was reviewed at the support site audit (Report # 7389960 done on March 25, 2010). Links to the manufacturing site was reviewed. The site does PPAP to the customer. The effectiveness of process design is monitored at corporate. The PPAP for Arm Rest Frame Assembly for Magna (Part # 99910-01) was sampled. The product design outputs and inputs for process design. The product print was reviewed and found that SCs identified in the print are not consistently included in PFMEA and control plan. Refer to NCR. Customer specific requirements for PPAP requirements are not effectively implemented. Product print 99910-01 refers to weld standards as outlined in Intier automotive seating document SOP A-101. No evidence seen for this requirement being met as called out in the weld standards. A nonconformity is raised. Special characteristic (SC A5) identified in the print calls for a concentricity check. This feature is not seen in the control plan. Refer to NCR. Due to a number of minor nonconformities against one requirement is seen in not meeting the product design outputs in the PPAP documentation, a major nonconformity is raised.

Production (All shifts)

Production process was reviewed for all shifts. Part # E6188AC in line # 6, Part # 8070 in Line 4 and WK line (Part # 99910-01) was reviewed. The input to this process comes from customer requirements. Production schedule is planned and prioritized. Production

process does the set up of these lines and first off protocols are followed to validate the set up. In-process checks are carried in accordance to control plan/ work instructions. Incoming raw materials are identified and traceability information are logged on the inspection data sheet. Material certificates for the sampled raw materials were reviewed and found to be in line with the requirements. Product audits are conducted on an ongoing basis and records for the same were reviewed. Customer-owned tools, manufacturing, test, inspection tooling and equipment are permanently marked so that the ownership of each item is visible, and can be determined. Final audit is performed in accordance to control plan requirements and products are packed per packing instruction and staged for shipment. The process effectiveness such as efficiency, Scrap%, Rework%, On time delivery are tracked and monitored on a regular basis. Overall the process appear to be effective in the areas sampled.

Quality Lab

The gage control and laboratory activities were based on a defined lab scope. All records are stored in the Pro-Gage software database. Calibration methods are identified in work instructions and the calibration procedure. Gauges from audit trails were reviewed for effectiveness. All fixtures, ring gages and the gage blocks are calibrated by their support tooling location (Ellis Tool). External lab used are ISO/IEC 17025 accredited. MSA studies were available for the sampled gauges. The process appears to be effective in the areas sampled.

Equipment Maintenance

Input to equipment maintenance is the maintenance schedule for preventive and predictive maintenance. The maintenance activities are done in accordance to the frequency and the check list. PM records and predictive maintenance records are outputs from this process. The objective for maintenance is un planned down time less than 4%. Actual down time for year to date was found to be 2.43%.

Major Nonconformities Arising from this Assessment

Ref	Area/Process	Clause
A441903/1	Quality	7.3.2.3 / 7.3.6.3
Details:	Product approval process per customer requirements is not effective in implementation. Requirement of ISO/TS 16949:2009 7.3.2.3 Special characteristics The organization shall identify special characteristics [see 7.3.3 d)] and ☐ identify process control documents including drawings, FMEAs, control plans, and operator instructions with the customer's special characteristic symbol or the organization's equivalent symbol or notation to include those process steps that affect special characteristics. 7.3.6.3 Product approval process The organization shall conform to a product and manufacturing process approval procedure recognized by the customer. Customer Weld guidelines requirement - Doc # A-1010 - Rev 4 requires the following PPAP requirements. Acid Etch testing, Destruct testing, Capability analysis for SC's and CC's. Objective Evidence: 1. SCs identified in Product Design output (Part # 99910-01) is not included in the PFEMA and control plan. Example - SCA5, SCA7	

	2. PPAP for Arm rest frame assembly (Part # 99910-01) does not show evidence of meeting the print requirements (Per Weld guidelines as outlined by Doc A-1010). No acid etch testing carried out for each fixture on each weld cell as required. No destructive testing seen as required by the customer. Capability studies for "SC's" identified in the print is not available as required. 3. "SCA5" is identified as a concentricity check in the drawing. The fixture used for this check is not capable of measuring this GD &T requirement as outlined in the product print. (This measures only the position of the nut)

Minor Nonconformities Arising from this Assessment

Ref	Area/Process	Clause
A441903/1	Management review	5.6.2/ 5.6.3
Details:	Management review process failed to consistently take all of the inputs and outputs as required. Requirement of ISO/TS 16949:2009 5.6.2 Review input The input to management review shall include information on a) results of audits, e) follow-up actions from previous management reviews, g) recommendations for improvement. Objective Evidence: Management review completed on 6/15/2010 does not show evidence of all inputs and outputs. Example - Internal audit outputs are not seen as input to management review. Recommendations for improvement not seen for goals not met (Customer PPM Target 14 PPM actual 672 PPM).	

Ref	Area/Process	Clause
A441903/2	Corrective action	8.5.2
Details:	Corrective action process is not consistently effective in implementing verification to the effectiveness of corrective action taken. Requirement of ISO/TS 16949:2009 The organization shall take action to eliminate the causes of nonconformities in order to prevent recurrence. Corrective actions shall be appropriate to the effects of the nonconformities encountered……. reviewing the effectiveness of the corrective action taken. Objective Evidence: CAR # GR055 indicates a changed measurement system as a result of a customer issue (Attribute fixture replaced with height gauge). The effectiveness of this corrective action is not verified. First piece log for part # 1353270P1A11	

	(head rest brace) does not show evidence of using the height gauge.

TS16949 Additional Scope Requirements

Customer-specific requirements audited for each site:

No OEMS

Formet Industries
P&F Tool - No CSR
Iroquois/ Logghe - No CSR
JCI
Van Rob Stampings
Winsdor Machine Stamping (US) Ltd - No CSR

Supplier codes allocated to each site by OEM customers (as appropriate):

Formet Industries - FOM 100S1
P&F Tool - 201922122
Iroquois/ Logghe - IRO100S1
JCI - 307858
Van Rob Stampings - 255137101
Winsdor Machine Stamping (US) Ltd - 607396215-1

Permitted exclusions for each site:

None

Are there any support locations to be included in certification?:

Yes

Enter audit date(s) and report number(s) under which these location have been/will be audited:

1) 7389960 - 03/25/2010
2) 7389958 - 03/26/2010
3) 7389982 - 03/26/2010

Identify support activities provided at these locations:

1). QMS Business planning, Sales & Planning, APQP, Purchasing and Supplier Management
2). Design and Engineering, Prototypes, Tool and Fixture verification
3). Warehousing and Distribution

TS16949 Shift Details

Site		Shift 1	Shift 2	Shift 3	Shift 4	Night shift	Week-end	Total site employees
McGregor, ON	Exists?	✓	✓			✓		38
	Audited?	✓	✓			✓		

Assessment Participants

On behalf of the organization:

Name	Position
Tom Brockman	Plant Manager
John Little	Quality Manager

The assessment was conducted on behalf of BSI by:

Name	Position
Prince Peter	Team leader

Continuing Assessment

The program of continuing assessment is detailed below.

Site Address	Certificate Reference/Visit Cycle	
G & R Cold Forging, Inc. 7072 Smith Industrial Drive McGregor Ontario N0R 1J0 Canada	TS 543508	
	Visit interval:	12 months
	Visit duration:	8 hours
	Next re-certification:	06/01/2012

Re-certification by Strategic Review will be conducted on completion of the cycle, or sooner as required. The review will focus on the strengths and weaknesses of your Management System.

Re-certification Plan

		Visit 1	Visit 2	Visit 3	Visit 4	Visit 5	Visit 6
Business area/Location	Date (mm/yy):	06/10	06/11	05/12			
	Duration (days):	1	1	1.5			
Customer satisfaction		✓	✓	✓			

Goals and Objectives (BPM)	✓	✓	✓			
Management review	✓	✓	✓			
Internal audit	✓	✓	✓			
Corrective/ Preventive action	✓	✓	✓			
Continual improvement	✓	✓	✓			
Product Design/ Engineering and Program Management/ PPAP (Links to Corporate)	✓	✓	✓			
Materials Process (Purchasing - Links to corporate and Warehouse / Supplier Management, Materials, Inventory control, Shipping and Receiving)		✓	✓			
Production	✓	✓	✓			
Quality/ Lab/ Calibration	✓		✓			
Preventive Maintenance - Equipment and Tooling	✓		✓			
Human Resources - Training		✓	✓			
Warehouse and Distribution (Links to Manufacturing sites)	✓	✓	✓			

Next Visit Plan

Visit objectives:

A follow up to verify effective closure of non-conformances.

Visit scope:

A follow up to verify effective closure of non-conformances.

Date	Assessor	Time	Area/Process	Clause
08/30/2010	Prince Peter	12:30	Opening meeting	
08/30/2010	Prince Peter	13:00	Review of corrective actions	
08/30/2010	Prince Peter	16:00	Follow up of audit trails and Report preparation	
08/30/2010	Prince Peter	16:30	Closing Meeting.	

Please note that BSI reserves the right to apply a charge equivalent to the full daily rate for cancellation of the visit by the organization within 30 days of an agreed visit date. It is a condition of Registration that a deputy management representative be nominated. It is expected that the deputy would stand in should the management representative find themselves unavailable to attend an agreed visit within 30 days of its conduct.

Notes

The assessment was based on sampling and therefore nonconformities may exist which have not been identified.

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