

	SECTION 21: MANAGEMENT QUALITY REVIEW (MQR)	Ref: TM-QA-DO-06-329-21-E
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PURPOSE: To define TMI’s requirements and methods for involvement and response at supplier management level to quality issues experienced at TMI during both preproduction and production stages

SCOPE: Applies to all external TMI suppliers

EXPLANATION: The Management Quality Review (MQR) is the method used by TMI to confirm that the supplier management team is aware of and reacting to those issues deemed to be critical or persistent failures to meet requirements for quality and delivery. It is an opportunity to review and discuss those issues of major concern at TMI. The intent is that the MQR will result in a joint agreement between TMI and the supplier as to resolution of any items discussed.

There are three separate “escalation” levels of MQR - I, II, and III - as defined below.

- 1) **MQR I** - MQR I is conducted at the manufacturing plant level with required involvement by both TMI and supplier plant manufacturing and quality managers. The TMI plant level QC manager will determine the need for MQR - LEVEL I based on the following criteria:
 - A) Significant characteristics as defined by drawing or inspection standard do not meet requirements.
 - B) Suspension of TMI production (with no impact at TMI customer facility) as the result of supplier nonconformance, parts shortage, or logistical issue
 - C) Chronic repetitive problems and overall poor performance resulting in the supplier being listed as one of TMI’s poorest performers in a given month
 - D) Sort and/or rework at TMI customer facility resulting from supplier nonconformance
 - E) Discovery that product was not submitted as required by TMI supplier preparation guidelines
 - F) Supplier request to TMI buyer

- 2) **MQR II** - MQR II is conducted at plant upper management levels requiring involvement from quality control managers, manufacturing managers, general managers, and purchasing managers. MQR is escalated to level II when more severe problems occur or MQR I issues remain unresolved. The TMI QC manager will determine the need for MQR - Level II based on the following criteria:
 - A) Product safety characteristics do not meet drawing requirements as defined by TMI design and purchasing agreements
 - B) Supplier fails to resolve MQR I issues according to the agreed upon due dates established in the MQR I meeting or makes an unreasonable response to an MQR I issue
 - C) Production at TMI customer is suspended due to the supplier’s nonconformance, parts shortage, or logistical issue
 - D) Chronic documented MQR I issues which show the supplier as one of TMI’s poorest performers for three consecutive months

- 3) **MQR III** - MQR III is conducted at the corporate / executive levels with the intent to be a senior management review of chronic unresolved issues and to determine the future sourcing direction of a supplier. This activity is driven by the Quality Assurance Manager and the Purchasing Manager with input from other pertinent department leadership. Criteria for calling an MQR III is as follows:

- A) Chronic documented MQR II problems indicating the supplier as one of the poorest corporate wide performers for two consecutive quarters
- B) Unreasonable response from a supplier indicating no progress has been made to resolve similar MQR II issues from multiple operations
- C) Continued TMI customer level dissatisfaction of a supplier's product quality, product shortage, or logistical issues that have led to a mandate to change suppliers
- D) Supplier inability or unwillingness to work with TMI to make fundamental quality or logistical improvement
- E) Unresolved product safety characteristics as defined by drawing and / or inspection standard and required by TMI design and / or QC agreements

REQUIRED DOCUMENT(S):

MQR MEETING NOTIFICATION - [TMI APPENDIX 21A](#)

COUNTERMEASURE REPLY FORM - [TMI APPENDIX 17B](#)

RESPONSIBILITY:

1. The TMI plant quality manager will issue (via e-mail or fax) a formal MQR MEETING NOTIFICATION (Appendix 21A) to the supplier, **TMI QA SDE, and Purchasing SD**, and follow the formal notification with phone contact **with the supplier**. The meeting notice must contain the following information:
 - A) Date / time / place for scheduled MQR meeting
 - B) Date / name / plant location responsible for issuing the meeting notice
 - C) Approval signatures for the meeting from TMI management
 - D) MQR Criteria: Escalation level (I, II, III) of MQR activity / Specific reasons for MQR activity
 - E) Required Attendees: Both TMI and supplier representatives based on escalation level
 - F) Agenda - Specific issues to be addressed including description of specific problems related to quality, delivery, service, or documentation issues (PPM and other measurables should be referenced and hard copy evidence available upon supplier request and presented at actual MQR meeting)
2. The TMI plant QC manager must format the meeting to include the following:
 - A) Introductions
 - B) Agenda and issues to be discussed
 - C) Review of the MQR process
 - D) Supplier presentation of response documentation (in approved TMI QC format) with proof and validation of an improved process
 - E) Open discussion
 - F) Review of meeting minutes and action plan

As MQR III will be an executive discussion, the agenda, format, and topics will be prepared as appropriate.

3. For MQR I and II the supplier must complete the acknowledgment, containment, and plan sections of the notification and return to TMI within 24 hours. The following information is required:
 - A) Signature and title of acknowledging supplier representative (This person must be the quality manager or

- general manager of the supplier facility.) and acknowledgment date
- B) Any responding comments (Any request to negotiate the MQR status must be done at this time.)
 - C) Sort activity status - Beginning date / ending date / results / responsibility for sort confirmation
 - D) Short term countermeasure
 - E) Identification methods for parts shipped containing short term countermeasure and containment
 - F) Planned dates for completion of root cause analysis and implementation of long term countermeasures
 - G) Weekly written updates may be required by TMI until the problem is closed.
4. The supplier is expected to present the following at the MQR I and II meeting:
- A) Most recent quarterly supplier rating report
 - B) Explanation of deficiencies in the areas of quality, delivery, commercial, and technology
 - C) Countermeasure Reply Forms (Section 16 - Appendix 16B) or other TMI authorized 8D responses that address your company's efforts to improve the systems which affected your rating in quality, delivery, commercial, and technology
 - D) All current Countermeasure Reply Forms or other TMI authorized 8D responses related to specific issues affecting overall ratings, previous MQR I, previous rejections and discrepant material reports, etc.

All completed documentation should be forwarded to the TMI quality department 72 hours in advance of the actual MQR II meeting. Multiple copies, based on the number of assigned attendees, should be available for the MQR meeting

5. To exit from MQR status, level I or II, the supplier must achieve the following:
- A) Three consecutive lots with no repeat of MQR related quality issues
 - B) Attain a performance measureable that meets TMI's requirements and that will move them out of the "poorest" supplier category
 - C) Submit proof that any issues related to delivery, commercial, or technology have been resolved.

NOTE: Exit criteria for MQR III is, at minimum, the same as above. Specific management level actions may also be required by TMI.

REVISION	REVISED DATE	SECTION	UPDATING DESCRIPTION
0	07/09/01	ALL	Initial Release
1	05/20/03	ALL	Revision Record Added