BUNN-O-MATIC

Supplier Requirements Manual

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BUNN-O-MATIC

Supplier Requirements Manual

Table of Contents

1.0 Scope

Applies to suppliers of production materials and services.

2.0 Purpose

- Define expectations and procedures for approval of production parts and services.
- Define quality assurance requirements.
- Define supplier performance metrics.
- Describe the supplier qualification process.

3.0 Definitions

Quality - Conformance to contractual requirements.

Temporary Change Request - If approved, the supplier may ship product which does not conform to formally approved documentation. A formal change to approved documentation is optional, depending on the terms of the approved temporary change request.

Permanent Change Request - If approved, affected documentation must be formally updated. If the Supplier must ship prior to formal release of updated documentation, an approved waiver request is required.

4.0 General Requirements

Suppliers must:

- Supply material that conforms to documented requirements.
- Provide evidence of conformance when requested.
- Provide timely responses to non-conformances with effective corrective actions.
- Permit audits to verify capability.
- Communicate any change or event that may affect product quality, reliability or business relations.

Suppliers should have a quality system that:

- Is capable of third party certification
- Emphasizes prevention of non-conformance rather than relying on inspection to achieve zero defects.

5.0 Supplier Code of Conduct

Bunn-O-Matic's Supplier Code of Conduct helps us select business partners who follow workplace standards and business practices that are consistent with our company's values. The supplier is fully responsible for ensuring compliance by any such sub-contractor(s) as if it were the supplier itself.

These requirements are applicable to all Bunn-O-Matic suppliers as well as any sub-contractor(s) providing goods or services to the supplier:

General Principle: Supplier plants shall operate in full compliance with the laws of their respective countries and with all other applicable laws, rules, and regulations.

Environment: Environmental sustainability is of great importance to Bunn-O-Matic. At the minimum, Supplier plants must comply with all applicable environmental laws and regulations and operate in a manner that minimizes the impact to our environment. In addition, Suppliers should demonstrate a commitment to managing their environmental impact by implementing a system or plan for continuous improvement in their environmental performance.

Child Labor: Suppliers shall employ only workers who meet the applicable minimum legal age requirement. Suppliers must also comply with all other applicable child labor laws.

Forced Labor: Suppliers shall not use any indentured or forced labor, slavery or servitude.

Wages and Hours: Supplier plants shall set working hours, wages and over-time pay in compliance with all applicable laws. Workers shall be paid at least the minimum legal wage or a wage that meets local industry standards, whichever is greater.

Discrimination: Suppliers shall employ workers on the basis of their ability to do the job, not on the basis of their personal characteristics or beliefs (including race, color, gender, nationality, and religion, and age, maternity or marital status).

Gift and Gratuity Policy: The offering or acceptance of kickbacks, bribes and other illegal payments subverts the very essence of competition and erodes the moral fiber of those involved. These include gratuities (i.e., anything of value) offered to Bunn-O-Matic employees. Such activities are not condoned and will not be tolerated. Bunn-O-Matic also prohibits the offer or acceptance of gifts or gratuities that the recipient likely would consider to be of substantial value. Any supplier that violates this Gift and Gratuity Policy risks immediate loss of all existing and future Bunn-O-Matic business.

Bunn-O-Matic reserves the right to audit supplier sub-contractors for compliance. The supplier shall accommodate Bunn-O-Matic's audit as required.

In the event of non-compliance with this Code of Supplier Conduct, The supplier must provide a written corrective action plan to Bunn-O-Matic Purchasing. If the supplier fails to meet the corrective action plan commitment, Bunn-O-Matic may terminate the business relationship, including suspension of future orders and potential termination of current production.

6.0 Supplier Screening and Qualification

The Bunn-O-Matic supplier selection process is based on a desire for long term superior supplier performance and must ensure that selected suppliers are capable of meeting quality, availability, value and continuous improvement objectives. At Bunn-O-Matic discretion, the supplier may be required to participate in this process.

Supplier Screening

The Bunn-O-Matic screening process is based on the following supplier considerations:

- Quality performance defined as conformance to contractual requirements. The Quality Score is a composite of the number of nonconformance reports and PPM (Parts per million defects).
- Value performance is comprised of the value improvement activities and purchase order terms and price variance performance.
- Availability performance based on 100% on-time expectation. The composite score for availability is comprised of DSI (Days Sales of Inventory), lead time, and on time deliveries.
- Reliability engineering process to mitigate and eliminate risk to achieve the duration or probability of failure-free product performance under stated conditions.
- Suppliers of food contact packaging raw materials for filter process may be requested to complete pre-qualification questionnaire.
- Registration to an industry sector quality system such as ISO-9000.
- Product complexity/compatibility with the supplier
- Availability of capital to produce product under evaluation
- Financial strength for future growth and investment
- Ability to provide inspection, testing and design analysis as required
- Support of “state of the art” equipment and processing
- Technical and management strength
- Strategic importance of the Bunn-O-Matic product to supplier business strategy
- History of competitiveness in the product group under evaluation
- Ability to manage prototype/pre-production activities
- Diversification in markets and products to allow balance
- System to manage logistics
- System to manage language barriers
- Effective use of continuous improvement techniques
- Adequate process automation and error proofing

Follow-up information and corrective actions may be requested.

On-Site Assessment

At Bunn-O-Matic's discretion an on-site review of key areas such as procurement, engineering, manufacturing, and quality may be performed to better evaluate the effectiveness of the supplier's business, manufacturing and quality & reliability systems.

Self-Assessment

The supplier may be asked to complete a self-assessment and provide any necessary supporting documents to Bunn-O-Matic.

Assessment Results

When system deficiencies are identified, a response time may be provided for the supplier to define corresponding corrective actions. At Bunn-O-Matic's sole discretion the qualification process may be terminated at any time.

7.0 Production Part Approval Process (PPAP)

Bunn-O-Matic may request suppliers to utilize the PPAP (level 3 as the default - Reference 14.1 for electronic warrant worksheet. Note: PPAP's, FAI for purchased shelf item parts may be approved internally at Bunn by conducting the FAI inspection and confirming manufacturer's part number via Certificate of Compliance (CofC form) or technical data sheet. PPAP parts must be from production tooling, production processes and production employees and may be required in the following situations:

- New part
- Correction of a discrepancy/resubmission.
- Modifications due to a documentation or materials change.
- Alternate construction or materials from previously approved parts.
- Produced from new or modified tools, dies, molds, etc.
- Changes to process, method, or facility of manufacture.
- Change to a source of subcontracted parts, materials, or services.

At Bunn-O-Matic's sole discretion the supplier may be required to submit the following items for approval prior to production shipments:

- Early Production Containment (GP-12) - The purpose of GP-12 is to document the supplier's efforts to gain control of its processes during start-up and acceleration so that any quality issues that may arise are quickly identified and corrected at the supplier's location prior to shipping production parts to Bunn-O-Matic. GP-12 Early Production Containment requires a Pre-Launch Control Plan, a significant enhancement to the supplier's production control plan, which will raise the confidence level to ensure that all products shipped initially, will meet customer

expectations and requirements. The Pre-Launch Control Plan will also serve to validate the production control plan. The Pre-Launch Control Plan should take into consideration all known critical conditions of the part, as well as potential areas of concern identified during PPAP. When GP-12 is requested, the supplier should do the following:

1. Develop a Pre-Launch Control Plan consisting of additional control, inspection audits and testing to identify non-conformances during the production process. Additional controls could include: Increased frequency/sample size of receiving, process, and or shipping inspections. Mandated sub-supplier containment and or sub-supplier support/audits; addition of inspection/control items; increased verification of label accuracy; enhancement of process controls such as error proofing; error proofing validation through introduction of known defects; increased involvement and visibility of top management.
2. Prompt implementation of containment/correction when non-conformances are discovered.
3. Pre-Launch Control Plan is over and above the Production Control Plan and serves to validate the Production Control Plan. The Pre-Launch Control Plan should be utilized for the first 500 production units or a duration specified by Bunn-O-Matic. Non-conformances identified during the first 500 units, should continue to be 100% inspected at the Supplier's location until the process demonstrates capability of 1.33 cpk minimum.
4. The supplier is eligible to exit and discontinue the Pre-Launch Control Plan on their own accord after 500 production units or the predefined duration has been met and no discrepancies or customer NCMR's (Nonconforming Material Reports) issued during the Pre-Launch phase. In the event the self exit criteria cannot be met, the GP-12 Pre-Launch Control Plan must remain in place until process control and capabilities have proven effective and the Production Control Plan is validated.

- 100% first piece inspection with measurement method and results to the Bunn-O-Matic drawing for 5 parts (reference 14.0 for supplier submission forms). For multiple cavity tools, dimensional results will be needed from at least 1 part per cavity, material certifications (CofC), process control plan.
- Laboratory validation of material specifications including coating, plating, paint, salt spray, special processes and performance test results, certificate of conformance (CofC).
- SPC charts, process capability studies for critical features achieving a Cpk of 1.33 or greater, gage R&R studies, process flow charts, and FMEAs.

8.0 Non-Conformances

Purchasing and/or Supplier Quality will notify the Supplier of non-conformances. Failure to meet documented requirements will result in rejection. Supplier may be charged a $35 administration fee per non-conforming receipt plus $35/hour for any additional time, labor or material costs. The Supplier must take immediate corrective action.

Bunn-O-Matic uses a zero-defect C=0 sample plan where 1 defect rejects the entire lot. Rejected material disposition will be at Bunn-O-Matic's sole discretion in one of or in a combination of the following methods:

- Return for rework or scrap.
- Supplier will rework or sort at Bunn-O-Matic at supplier's expense.
- Bunn-O-Matic will rework or sort.
- Return for full refund or credit of the price actually paid for any such non-conforming goods.

Supplier should refer to the Purchase Order Terms and Conditions.

9.0 Supplier Corrective Actions Requests

When notified of a non-conforming receipt the Supplier must take immediate corrective action. The supplier is expected to provide an initial response via e-mail or fax to Purchasing within 24 hours.

Root-cause analysis and permanent corrective action should be communicated to Supplier Quality Engineer or designee within 10 working days (see end of this document for reference form). Extension date may be approved through Supplier Quality Engineer or designee written communication. Documentation should include:

- Immediate short-term corrective action with effective date.
- Affected shipments with date, run, and/or lot numbers.
- Root cause with investigation details.
- Long-term corrective action with effective date.
- Date, run, and/or lot number of material produced after corrective action.

10.0 Change Requests

Once a non-conforming shipment enters the Bunn-O-Matic receiving/inspection process, the Supplier performance record is negatively affected and will not be updated if a change request is later approved.

At the sole discretion of Bunn-O-Matic it may be necessary to resubmit the part for approval when a change is made.

Permanent change request

The supplier may request a permanent change to a process, material, or design of a part by submitting a change request to Bunn-O-Matic Purchasing.

Temporary change request

The supplier may request a temporary change by communicating directly with their Bunn-O-Matic Purchasing contact.

A temporary change shall typically be limited to a production run. The supplier may request a temporary change to a process, material, or design of a part in order to:

- Ship a part that varies from a requirement that is currently approved.
- Ship a part that was produced on a process or work center that is different from what is currently approved.

A copy of the approved temporary change request must accompany any affect shipment. Under no circumstances is a supplier to ship known non-conforming material to Bunn-O-Matic without prior written authorization from the Bunn-O-Matic Purchasing department.

11.0 Lot Control and Traceability

The supplier must record and retain records to enable traceability and retrieval of material. Material lots must be identified with part number, revision and other pertinent information. When possible the lot number/date code should be marked on the part itself. Additional requirements may be specified at Bunn-O-Matic discretion.

12.0 Verification of Subcontracted Product

The supplier shall allow Bunn-O-Matic employees entrance into the supplier's facility in order to verify product conformance. Bunn-O-Matic purchasing will coordinate visit schedules. In the event of a major quality concern, the supplier shall accommodate an immediate visit during normal business hours.

13.0 Supplier Performance

The following performance data is tracked on a periodic basis and may be shared with the Supplier as needed. When performance is not acceptable the Supplier must communicate and implement a corrective action plan.

Supplier Performance Metrics:

- PPM
- On-time delivery
- Price of Non-Conformance (PONC)

14.0 Supplier Forms for Reference (Optional)

14.1 Supplier Warrant

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Part Submission Warrant

PSW #: Date Issued:

PART INFORMATION

Part Name _____ Bunn Part Number _____

ECN Number & Level _____ Dated _____

Additional Engineering Changes _____ Dated _____

Safety and/or Government Regulation ☐ Yes ☐ No Purchase Order No. _____ Weight (kg) _____

Checking Aid Number _____ Checking Aid Engineering Change Level _____ Dated _____

SUPPLIER INFORMATION

Organization Name and Supplier Code

Street Address

City State Postal code Country

BUNN SUBMITTAL INFORMATION

Name Division

Buyer/Buyer Code

Application

MATERIALS REPORTING

Has customer-required Substances of Concern information been reported? ☐ Yes ☐ No ☐ n/a

Submitted by IMDS or other customer format

If submitted by IMDS, enter Module ID number, version and date transmitted

Are polymeric parts identified with appropriate ISO marking codes? ☐ Yes ☐ No ☐ n/a

REASON FOR SUBMISSION

☐ Initial submission
☐ Engineering Change(s)
☐ Tooling: Transfer, Replacement, Refurbishment, or additional
☐ Correction of Discrepancy
☐ Tooling Inactive > than 1 year
☐ Change to Optional Construction or Material
☐ Sub-Supplier or Material Source Change
☐ Change in Part Processing
☐ Parts produced at Additional Location
☐ Other - please specify _____

REQUESTED SUBMISSION LEVEL (Check one)

☐ Level 1 - Warrant only (and for designated appearance items, an Appearance Approval Report) submitted to customer.
☐ Level 2 - Warrant with product samples and limited supporting data submitted to customer.
☐ Level 3 - Warrant with product samples and complete supporting data submitted to customer.
☐ Level 4 - Warrant and other requirements as defined by customer.
☐ Level 5 - Warrant with product samples and complete supporting data reviewed at supplier's manufacturing location.

SUBMISSION RESULTS

☐ **Compliance to following Engineering Specifications:**

The results for ☐ dimensional measurements ☐ material and functional tests ☐ appearance criteria ☐ statistical process package

These results meet all design requirements ☐ Yes ☐ No. (If "No" - Explanation Required).

DECLARATION

I affirm that the samples represented by this warrant are representative of our parts which were made by a process which meets all Production Part Approval Process Manual 4th Edition requirements. I further affirm that these samples were produced at the production rate of _____ / _____ hours using _____ production streams. I also certify that documented evidence of such compliance is on file and is available for review. I have noted any exceptions from this declaration below.

EXPLANATION/COMMENTS: _____

Print Name _____ Title _____ Phone No. _____ Fax No. _____

Supplier Authorized Signature _____ Date _____

FOR BUNN USE ONLY (IF APPLICABLE)

Part Warrant Disposition: ☐ Approved ☐ Rejected ☐ Other _____

Bunn SQE Signature _____ Print Name _____ Date _____

Engr. Signature _____ Date _____ Other Signature _____ Date _____

FCD-2-10-008 Bunn PPAP Warrent Form.xlsx

14.2 Supplier Inspection Report Form

Date:						#		tol.						
Part #:						1	1 place							
Description:						2	2 place							
Inspector:						3	3 place							
Supplier:						A	angle°							
Product Line:						MAX	Maximum	MAX						
# of fails:		☑	Inch			MIN	Minimum	MIN						
Overall Pass/Fail		☑	**Metric**			N	no dim.	n/a						
						R	ref.	ref.						
how many: samples?	1	dim's?	1											

When using this form, enter the number of samples and number of dimensions into the blue boxes.
Enter the tolerance into the yellow boxes and then select the applicable tolerance and enter into column "E"
Before printing, highlight print area, select page layout and select print area "SET"

Dim.#	Smpl.#	location	nominal or note	# place	+ tol.	- tol.	high limit	low limit	actual	critical	for **ITP**	pass/fail	out of tol.	Inspector comments
1	1			1										
end														end of report

14.3 Supplier Corrective Action Request Form

BUNN Quality Since 1840

Supplier / Product Corrective Action Request — **SCAR**

FCD-2-10-003 rev. B

Supplier:	SCAR #
Contact:	Issued Date:
Part Description:	Due Date:
Part Number:	Bunn Location:

Current Status

OPEN - PENDING (Red) ☐ VERIFICATION - Actions Implemented (Yellow) ☐ CLOSED (Green) ☐

D1) Identify Team Members/Roles & Responsibilities

Champion Name	Champion Title	Champion Phone/e-mail
Team members	**Dept/Role**	**Phone/e-mail**
1.		
2.		
3.		
4.		
5.		

D2) Problem Description (Describe issue in terms of what, where, when, and how many)

D3) Interim Containment (What actions were taken to isolate and prevent shipment of defective product) — Start Date

Sorting Results (Time, Date, Total Number of Sorted and Quantity Rejected)

Sorted #	Defect Quantity	Interim Start Date	Identification of Certified Material

D4) Root Cause

A. Why was DEFECT MADE? How was it verified that defect was made?

B. Why was DEFECT NOT DETECTED in process and Shipped?

D5) Permanent Corrective Action

A. Corrective Action for why DEFECT was MADE.	Target Date	Completion Date	Date Code / Clean point
B. Corrective Action FOR why Defect was NOT DETECTED and SHIPPED	**Target Date**	**Completion Date**	**Date Code / Clean point**

D6) Verification (Confirm implemented actions have been effective) — Date Verified

D7) Prevention (How will this issue be avoided in the future?

		Owner for Update	Date Implemented
Have the necessary documentation been updated?	Product Design FMEA		
	Process FMEA		
	Control Plan		
	Procedure		

D8) Congratulate Team

Date Opened		Last Updated		Originated by	
Date Closed		Reviewed & Approved by			

14.4 Supplier Process Change Request Form

Supplier Process Change Request Form **Date:**

Supplier Name & Address:

Reason for Change:

Proposed Timing for this change:

(If timing is PN specific, please attach change date for each part number)

Detailed Description of Proposed Change:

(Describe how materials, personnel, equipment, location, methods will be affected by this change)

Bunn part numbers affected by this process change:

(Attach list if multiple PNs)

Submit completed Process Change Form to the appropriate Bunn-O-Matic Buyer.

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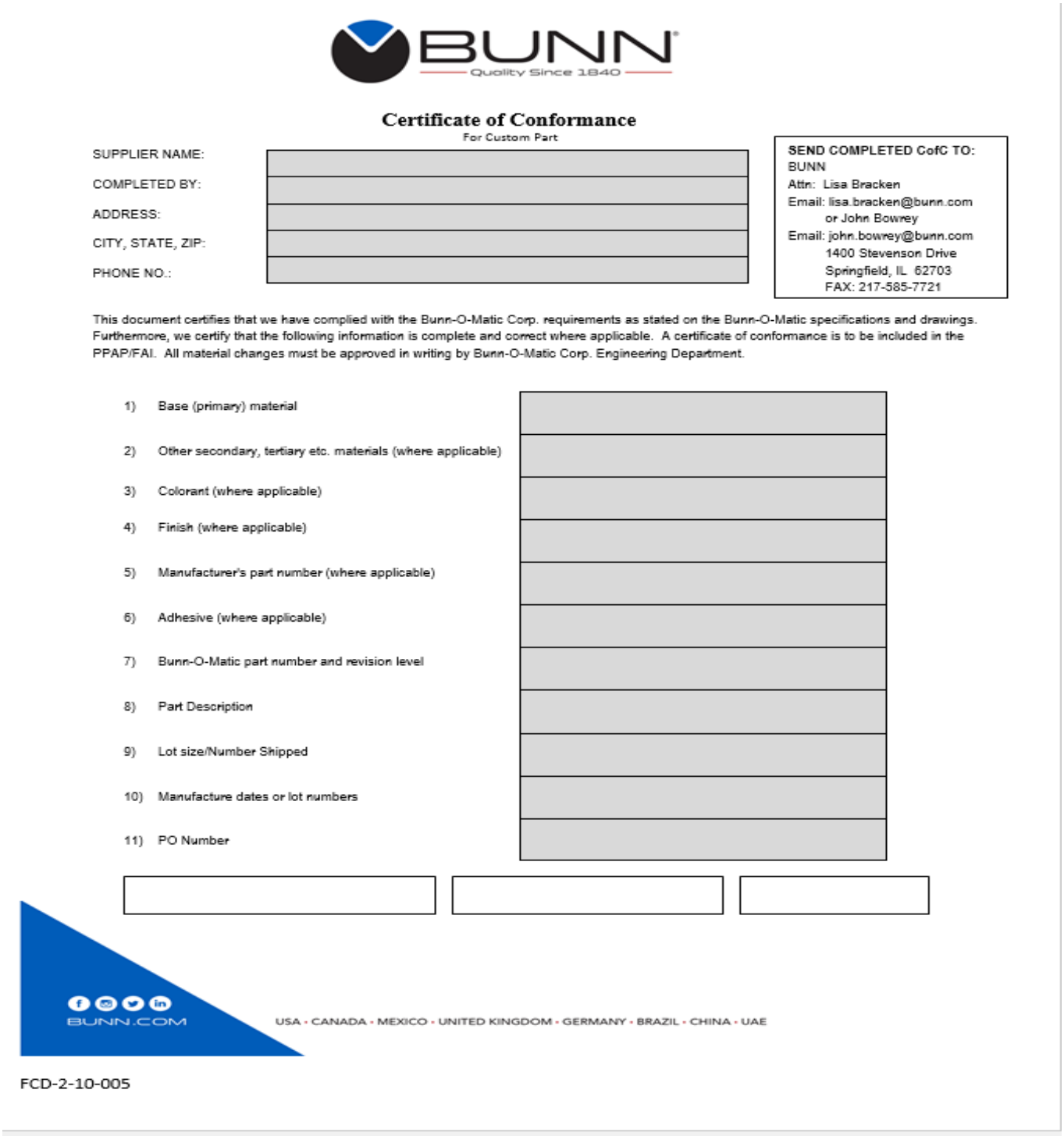
14.5 Certificate of Conformance Form for Custom Part



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Certificate of Conformance
For Custom Part

SUPPLIER NAME:	
COMPLETED BY:	
ADDRESS:	
CITY, STATE, ZIP:	
PHONE NO.:	

SEND COMPLETED CofC TO:
BUNN
Attn: Lisa Bracken
Email: lisa.bracken@bunn.com
or John Bowrey
Email: john.bowrey@bunn.com
1400 Stevenson Drive
Springfield, IL 62703
FAX: 217-585-7721

This document certifies that we have complied with the Bunn-O-Matic Corp. requirements as stated on the Bunn-O-Matic specifications and drawings. Furthermore, we certify that the following information is complete and correct where applicable. A certificate of conformance is to be included in the PPAP/FAI. All material changes must be approved in writing by Bunn-O-Matic Corp. Engineering Department.

1)	Base (primary) material	
2)	Other secondary, tertiary etc. materials (where applicable)	
3)	Colorant (where applicable)	
4)	Finish (where applicable)	
5)	Manufacturer's part number (where applicable)	
6)	Adhesive (where applicable)	
7)	Bunn-O-Matic part number and revision level	
8)	Part Description	
9)	Lot size/Number Shipped	
10)	Manufacture dates or lot numbers	
11)	PO Number	

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14.6 Certificate of Compliance for Non-Custom Part

Certificate of Compliance

For Non-Custom Part

SUPPLIER NAME:	
COMPLETED BY:	
ADDRESS:	
CITY, STATE, ZIP:	
PHONE NO.:	

This document certifies that we have complied with the Bunn-O-Matic Corp. requirements as stated on the Bunn-O-Matic specifications and drawings. Furthermore, we certify that the following information is complete and correct where applicable. A certificate of conformance is to be included in the PPAP/FAI.

1) Bunn-O-Matic part number and revision level

2) Part Description

3) Manufacturer's part number (where applicable

4) PO Number

Signature:	Title:	Date:

SEND COMPLETED CofC TO:
BUNN
Attn: Lisa Bracken
Email: lisa.bracken@bunn.com
or John Bowrey
Email: john.bowrey@bunn.com
1400 Stevenson Drive
Springfield, IL 62703
FAX: 217-585-7721

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