

NORTHROP GRUMMAN AEROSPACE SYSTEMS



SUPPLIER INSTRUCTIONS

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**Prepared by:
Northrop Grumman Aerospace Systems
Supplier Quality**

Tamara N. Lewis

**Tamara N. Lewis, Director
Supplier Quality**

Instructions and Program Control Requirements

Revision History

Date	Changes
June 27, 2003	Original release
June 03, 2004	Director of Supplier Quality & Technical Performance
March 7, 2005	Remove "Certification" reference on Platinum Source Certification Program Updated Section VII Performance Rating 1, 4a, 4b, 4c, and 4d
June 22, 2007	Update all SQ & TP references to Supplier Quality Update all Materiel references to Global Supply Chain
November 3, 2008	Update Director and department name Revised Introduction Revised Section II Supplier's Quality Manager Responsibility 1c Removed Section II Supplier's Quality Manager Responsibilities 2d and 2e Revised Section III Inspection and Acceptance 1 Removed Section III Inspection and Acceptance 4 Revised Section IV Platinum Source Program Exclusions Removed Section VII.a and VII.b Removed IX.2.a Renumbered IX.2b to 3 Revised Platinum Source Compliance Statement to add telephone number and e-mail address
February 17, 2009	Update all Integrated Systems references to Aerospace Systems Update all Supplier Quality references to Supplier Assurance Update all Supplier Quality Administration references to Supplier Assurance Integration
March 1, 2010	Update Director name from W. Robb to Steven R. Moe
June 12, 2011	Update Director's department name Update department names in the Introduction
January 9, 2012	Update Director's name from Steven R. Moe to Joseph F. Jackson Update Director's department name Update department name from Supplier Quality Development & Assessment to Supplier Quality Performance
January 26, 2015	Added acronym NGAS in place of Northrop Grumman Aerospace Systems Revised Section II.2.b to expand on scorecard performance criteria Removed Section II.2.c Variability Reduction requirement for Preferred suppliers Renumbered Sections II.2d, 2e and 2f Revised Section VII.4.c to remove reference to Quality Assurance Deficiency Review Request (QADRR) and replaced it with Corrective Action Request (CAR)
March 7, 2016	Renumbered Index page numbers Revised Introduction to update Compliance Statement page number and program exclusions Revised Section IV to add Platinum Source exclusions that require Northrop Grumman source inspection Revised Section VII to update location of supplier scorecard guidelines on OASIS
August 30, 2016	Update Director's name from Joseph Jackson to Tamara N. Lewis Revised Section IV bullet 4 - Items requiring Northrop Grumman First Article verification. Removed " <i>Review and material identified on drawings or specifications with the following high consequences of failure criticalities: Safety of Flight, Safety Critical, Critical Safety Items, Fracture Critical Traceable, Fracture Critical Serialized, Fracture Critical – Cat 1, Fatigue Critical Serialized, Fatigue Critical</i> "

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Introduction

Northrop Grumman Aerospace Systems (NGAS) is proud of our Platinum Source Program. We have designed the Platinum Source Program to place greater emphasis on performance measurements consistent with our customer expectations, as well as, offer additional incentives to our supplier team members who consistently meet our performance requirements.

As a Platinum Source supplier, your company has demonstrated distinction in meeting the performance expectations of Aerospace Systems including outstanding quality, commitment to required delivery schedules, focus on customer satisfaction and robust, lean processes.

NGAS maintains a special relationship with our Platinum Source suppliers, a trust not afforded to other suppliers. In conjunction with this trust is the supplier's unqualified commitment to produce and deliver 100% conforming parts, on schedule, with acceptable supporting shipping documentation.

There are two levels to the program: Platinum Preferred and the entry level Platinum. In order to assure your company's proper beginning in the Platinum Source Program, NGAS requires the submittal of your Compliance Statement (Page 6) prior to award.

Specific program exclusions where Platinum Source authority may not be used will be identified in Section IV.

Supplier performance is subject to continuous evaluation. This is accomplished by:

- An on-going review of the supplier's Scorecard rating by NGAS Supplier Quality Performance and the Platinum Source Committee.
- Process/Product Audits (PPA's) conducted periodically by NGAS at the supplier's facility and at Aerospace Systems Receiving.

Any adverse trends in performance, evidence of degradation in supplier's quality system or any other non-compliance, will prompt the NGAS Supplier Quality Representative to coordinate with the supplier's Quality Manager and NGAS Global Supply Chain management to affect timely resolution of problem areas.

I. Platinum Source Supplier Responsibilities

Control and oversight of the Platinum Source authorization is the responsibility of the highest ranking quality official at the supplier's facility.

II. Supplier's Quality Manager Responsibilities

1. For Platinum Source Program purposes, the Supplier's Quality Manager is the focal point between the Supplier and NGAS:

- a. Platinum Source Program Administrator
- b. Procurement/Subcontracts Representative
- c. Supplier Quality Field Engineer

Should a conflict arise concerning the requirements of supplier's quality system requirements, the purchase order (PO) or this document, the supplier's Quality Manager should contact the applicable organization(s) noted for assistance.

2. Supplier's Quality Manager is responsible for:

- a. Maintaining an approved quality system.
- b. Maintaining the appropriate Platinum Source Program level Supplier Scorecard performance criteria as follows:
 - Platinum Preferred –
 - Blue Procurement Supplier Scorecard rating
 - Blue Supplier Assessment Management Systems (SAMS) rating in Management and Mission Assurance/Quality elements/sub-categories and Green or Blue in the Schedule element/sub-categories.
 - Platinum –
 - Green Procurement Supplier Scorecard rating
 - Green Supplier Assessment Management Systems (SAMS) rating in Management, Mission Assurance/Quality and Schedule elements/sub-categories.
- c. Keeping Supplier company management informed of performance rating and Platinum Source status.
- d. Communicating to, and training all Supplier personnel the goals and objective of the Platinum Source Program.

- e. Adhering to the content of this document.

III. Inspection and Acceptance

1. Supplier will utilize its own part acceptance process and ensure traceability from the product to the deliverable documentation. Supplier shall provide positive and objective evidence of acceptance and conformance to contractual requirements.
2. Refer to your PO(s) for any other part acceptance requirements.
3. Should further clarification be required, contact your NGAS Procurement/ Subcontracts representative.
4. Regardless of Platinum Source status, NGAS reserves the right to impose end item source or receiving inspection whenever deemed to be in the best interest of its customers, or whenever specially recommended by its customers.

IV. Platinum Source Program Exclusions

Platinum Source authority may not be used on certain NGAS procured items. Purchase Order/Subcontracts Platinum Source exclusions that require Northrop Grumman source inspection include:

- F/A-18 product drop shipped from the supplier to Boeing, St. Louis (Northrop Grumman's customer)
- F/A-18 Interchangeability and Replaceability Tool Prove First Article. (Refer to NGAS Supplier I & R Manual located on OASIS).
- NGAS has authorized the supplier to ship a product with incomplete work (traveled work)
- Items requiring Northrop Grumman First Article verification as identified in SQAR section 3.4 Northrop Grumman First Article Review.
- Purchase order line item deliverable supplier manufacturing tooling.
- Customer furnished equipment.

V. First Article Requirements

Platinum Source suppliers are responsible for performing First Article Inspection per NGAS Supplier Quality Assurance Requirements (SQAR). Despite Platinum Source status, NGAS must verify or witness supplier's first article for the deliverable items specifically noted in the SQAR, *Northrop Grumman First Article Inspection Review*.

VI. Non-Conforming Material Control

Non-conforming material is to be dispositioned per the guidelines provided in SQAR, *Non-conforming Material Control*. Platinum Source authority does not grant the supplier automatic material review authority/privileges.

VII. Performance Rating

1. NGAS utilizes the Supplier Scorecard as the primary measure of Platinum Source supplier performance. Supplier Scorecards are accessible on OASIS (<https://oasis.northgrum.com/>). For more information on the Supplier Scorecard, go to Tools and click on the Supplier Guidelines link.
2. The NGAS Platinum Source Committee conducts a review of the supplier's performance rating each quarter, utilizing the Scorecard as the primary criteria.
3. Supplier's found to be performing poorly to Program criteria will receive written notification identifying such deficiencies.
4. Platinum Source suppliers may be downgraded from their current level, placed on probation, suspended from the Program or may be withdrawn due to inactivity.
 - a. Downgrade: Platinum Preferred suppliers who fail to maintain their required scorecard level rating ("blue") may lose their status and be downgraded to a lower Platinum Level.
 - b. Probation: Platinum Source suppliers may be placed on Probation for failure to consistently maintain the performance criteria or from a supplier quality disclosure. Platinum Source suppliers must improve their performance rating in order to stay in the program. Although Platinum Source privileges are maintained by the supplier during Probation, increased oversight may occur, such as but not limited to Process/Products Audits or source inspection.
 - c. Suspension: Platinum Source suppliers may be advised in writing of suspension of privileges under the following conditions:
 - Suppliers on Probation shows no evidence of objective improvement or further degradation.
 - Supplier's location or ownership has changed and the supplier has not formally notified NGAS of the change. Suppliers may be reinstated upon NGAS quality system approval of noted change.

- A released Government Industry Data Exchange Program (GIDEP) Alert, or a significant supplier quality disclosure. Supplier's Platinum Source authority may be reinstated based on resolution of responsibility issues.
- Formal request for Corrective Action(s) that are not received within the specified time frame. Corrective Action may be requested via a Supplier Corrective Action Request (SCAR) or a Corrective Action Request (CAR).
- Significant deficiencies are documented following a supplier on-site review by NGAS.

Note: Platinum Source suspension will result in immediate NGAS Source or Receiving Inspection requirements on all open and future supplier PO's.

- d. Withdraw: Platinum Source suppliers are withdrawn from the Program after 13 months of no purchase order activity or quality system withdrawal.

VIII. Quality System Reviews

1. In lieu of regular quality system audits, NGAS will maintain a schedule to periodically perform on-site Process/Product audits (PPAs) of Platinum Source suppliers.
2. Platinum Source suppliers are responsible for conducting their own internal quality assessments and process reviews on a regular basis.

IX. Periodic Inspection/Product Audits of Platinum Source Supplier Delivered Articles

1. NGAS reserves the right to perform any inspections necessary to validate supplier's conformance to contractual requirements.
2. Discovery of any dimensional, fit or functional deficiencies revealed through random inspection shall be used as justification to reject any or all supplier delivered product whether installed, in stores or in process.
3. Such deficiencies may cause suspension of Platinum Source privileges, and/or change in NGAS approved supplier quality system status.

X. Change in Location, Name, Ownership, or Quality Management

1. Platinum Source authorizations and all NGAS quality/process approvals are applicable to the exact company name, address, ownership, and quality management to which they were initially granted. Platinum Source privileges may not be transferred to any other supplier location.
2. Any changes which affect these elements shall be communicated to the NGAS Procurement/Subcontracts representative and the Platinum Source Administrator stating the change to be made and the effective date.

PLATINUM SOURCE COMPLIANCE STATEMENT



I _____, certify that _____
Designated Person (Print name) Company Name

_____ City State Zip Code
Manufacturing Address

will follow the intent of Northrop Grumman Aerospace Systems procedure, *Platinum Source Program Instructions*, as outlined in that document.

Executive Officer and Position Title (**Print Name and Sign**) Date

Telephone Number

E-mail Address

Quality Manager and Position Title (**Print Name and Sign**) Date

Telephone Number

E-mail Address