Objective

Oshkosh Corporation achieves a clear competitive advantage in the marketplace by ensuring that all suppliers perform to the Global Procurement Supply Chain Four Priorities. Suppliers continuously improve by utilizing the methods, tools and process employed by the Supplier Quality Engineering (SQE) Teams. To achieve this advantage, the Oshkosh Corporation SQE utilizes the following strategies:

- **Correct**: Rapidly address disruptions in supply through Containment and Recovery actions.
- **Prevent**: Flawlessly launch through the use of world class industry best practices such as Advance Product Quality Planning (APQP), Production Part Approval Process (PPAP) and quality auditing.
- **Control**: Maintain flawless performance over time by protecting against uncontrolled change and variation through the use of Six Sigma and Process Development tools.

Correct

Eight Disciplines (8D) – Is a methodology of problem solving used to identify and correct recurring issues.

Containment – Is a structured process in which the Supplier is responsible to inspect, executes 8D corrective action methodology, and to insulate Oshkosh Corporation from the receipt of nonconforming parts/material. The redundant inspection is required independent of the Supplier’s normal production process controls.

- **Containment Level 1 (CL1)** – Includes an 8D and 100% inspection of specified features.
- **Containment Level 2 (CL2)** – Includes all requirements as Containment Level One with the additional requirement that specified features are inspected by an independent 3rd party.
- **Full Launch Containment** – Makes the Supplier responsible to inspect all critical-to-quality specifications identified in the control plan.

Performance Improvement Program (PIP) – Is a structured program to drive corrective actions and continuous improvement with selected suppliers which includes monthly PPM performance monitoring, PDCAs for non-conformances and continuous improvement efforts. The program can either be supplier specific or commodity based.

Prevent

Global Supplier Quality Audit – Is an on-site verification of the Supplier’s quality system and key processes to ensure compliance to requirements.

Product Quality Planning (APQP/PPAP) – Assures all customer engineering design and specifications are properly understood and that the manufacturing process has the potential to produce product consistently during an actual production run.

- **Advanced Part Quality Planning (APQP)** – Is a set of structured, defined, and documented steps necessary to assure that all aspects of the Supplier’s organization can produce the product that will satisfy customer requirements.
- **Production Part Approval Process (PPAP)** – Is a comprehensive review of a production representative part including dimensional, testing, performance and material requirements as well other tools to aid the supplier in anticipating deficiencies and mitigating them.

Technical Review – Is a coordinated process involving the Supplier and Oshkosh Corporation Engineering, Purchasing and Supplier Quality to mitigate risks associated with sourcing new parts and re-sourcing parts to suppliers by reviewing the design, purchasing, manufacturing and inspection techniques.

Control

Six Sigma – Uses statistical techniques and tools for process improvement designed to improve product quality, prove capability, reduce defects and minimize variability in manufacturing processes. Central to Six Sigma methodology is Define, Measure, Analyze, Improve and Control cycle known as the DMAIC process.

Supplier Change Request (SCR) – Is a disciplined, uniform process for the Supplier to request changes to specifications or processes.

Oshkosh Corporation