AS9100 Clause 7.4.1 Purchasing Process and Approved Supplier List Records

If you have an Approved Vendor list and on this list you have vendors that you do not have any records of how they were evaluated to get on the list (such as a reg cert, survey, etc...) would you find that this fails to meet the requirement of "Records of evaluations ...are maintained". We do have records of quarterly evaluations of their performance.

Just curious

An Approved Vendor list is not required by ISO 9001:2008. But records of approved suppliers (vendors) are. You must be able to demonstrate how and by what you decided that they are "worthy of your business." ;)

Suppliers are considered those organizations that supply goods and services that have a direct impact on your organization's ability to meet your customer requirements. That would exclude, for example, toilet paper and pencils...
QE-Bob in Wisc 26th August 2011 09:44 AM

Re: 7.4.1 Purchasing Process

Thanks, I must have miss lead you. I never said the list was required I said we have a list. The point I was trying to make was that we have no records of how we approved the use of these suppliers other than their quarterly performance data. Would this record be enough to sell you on how we approved them?

Jeff Frost 26th August 2011 10:16 AM

Re: 7.4.1 Purchasing Process

However under AS9100C Clause 7.4.1 (this post) you are required to have a register (list) of approved suppliers which contains a scope of approval for your organization needs. You are also required to have a defined process for approving a supplier, or removing a supplier, and who has the authority and responsibility for making these decisions. And lastly you are required to maintain records of supplier evaluations and actions arising from these evaluations.

Jason PCSwitches 26th August 2011 10:39 AM

Re: 7.4.1 Purchasing Process

Quote:

In Reply to Parent Post by QE-Bob in Wisc (Post 447903)

Thanks, I must have miss lead you. I never said the list was required I said we have a list. The point I was trying to make was that we have no records of how we approved the use of these suppliers other than their quarterly performance data. Would this record be enough to sell you on how we approved them?

You need to have records. Review your procedure and determine how your organization selects, evaluates & reviews suppliers. If the procedure is lacking any of the aspects of 7.4.1, revise it.

If you are only lacking records, evaluate those suppliers by defined means. Request a copy of any certification or credentials, file them & you should be covered.

amadisonr 14th September 2011 07:03 PM

Re: 7.4.1 Purchasing Process

When you have a contractual obligation to use a specific supplier; are you obligated to keep the supplier on our ASL. The conversation around the office is no that it is the responsibility of the customer who requires that supplier.... my thoughts do we have to validate or verify that our customers have this required supplier in their system???
Auditors from our registrar are inclined to say we do have to have them on our ASL!!!

Re: 7.4.1 Purchasing Process

Quote:

In Reply to Parent Post by QE-Bob in Wisc (Post 447903)
Thanks, I must have miss lead you. I never said the list was required I said we have a list. The point I was trying to make was that we have no records of how we approved the use of these suppliers other than their quarterly performance data. Would this record be enough to sell you on how we approved them?

Step 1 - use the "Grandfather statement" - note this is only good for a one time only.

Step 2 - AS9100 says to: "b) periodically review supplier performance"

you need to describe how you do that.

Note: AS9100 gives you some guidelines - "NOTE One factor that can be used during supplier selection and evaluation is supplier quality data from objective and reliable external sources, as evaluated by the organization (e.g., information from accredited quality management system or process certification bodies, organization approvals from government authorities). Use of such data would be only one component of an organization's supplier control process and the organization remains responsible for verifying that purchased product meets specified purchase requirements".

Third you must demonstrate how this is done.:notme:

Re: 7.4.1 Purchasing Process

Quote:

In Reply to Parent Post by amadison (Post 450040)
When you have a contractual obligation to use a specific supplier; are you obligated to keep the supplier on our ASL. The conversation around the office is no that it is the responsibility of the customer who requires that supplier.... my thoughts do we have to validate or verify that our customers have this required supplier in their system???

Auditors from our registrar are inclined to say we do have to have them on our ASL!!!

you need to ask the team - how does purchasing or a new individual know who to use? - under what circumstances?. - when you come up with the answer, then you will see the purpose of an ASL.
Yes, You do not validate suppliers that customer have introduce to your line but.... you are responsible to use them and in case of non conformance- please do not hesitate to issue them and... provide a customer (Purchasing / Quality) with a copy of the NCR - make the customer aware of you pains.

Big Jim
14th September 2011 09:52 PM

Re: 7.4.1 Purchasing Process

Quote:

In Reply to Parent Post by amadisonr (Post 450040)
When you have a contractual obligation to use a specific supplier; are you obligated to keep the supplier on our ASL. The conversation around the office is no that it is the responsibility of the customer who requires that supplier.... my thoughts do we have to validate or verify that our customers have this required supplier in their system???

Auditors from our registrar are inclined to say we do have to have them on our ASL!!!!

They had to be on the ASL at the time they were used. Should you disapprove them, you can show that they have been disapproved and cannot be used. You can choose to keep them on the list but in this disapproved status or you can remove them. There should be some sort of record to show they were approved at the time of use.

I have a feeling that you may be missing something very important concerning AS9100C (and AS9100B as well). That is that you need to control all suppliers, even those that your customer has mandated. Even if the customer requires you to use them, you are responsible for what you buy from them. It is your responsibility, not the customers.

Big Jim
14th September 2011 09:55 PM

Re: AS9100 Clause 7.4.1 Purchasing Process and Approved Supplier List Records

Quote:

In Reply to Parent Post by QE-Bob in Wisc (Post 447898)
If you have an Approved Vendor list and on this list you have vendors that you do not have any records of how they were evaluated to get on the list (such as a reg cert, survey, etc...) would you find that this fails to meet the requirement of "Records of evaluations ...are maintained". We do have records of quarterly evaluations of their performance.

Just curious

In my mind, you only need the current approval records. Once they are re-approved, and you have a record of the re-approval, you no longer need records of the original approval.

gilstrr
10th October 2011 10:55 AM

Re: AS9100 Clause 7.4.1 Purchasing Process and Approved Supplier List Records
Could I get some opinions and/or arguments for the following?
We have an AS9100B QMS and I have updated our documents to AS9100C. Last week we had an internal audit (by an outside source) and one of their comments about our ASL was that I do not have listed the Registrar, the consulting firm that performed our internal audit nor the temporary service we use to find some of our employees. I have all other suppliers listed with all required information per the Rev. C Standard.

My argument was that I have all suppliers listed that provide goods or services that affect the quality of our products that we sell to our customers. How does our Registrar provide a service that affects the quality of our products? If he comes in and writes me a finding on my Quality System and when I implement the corrective action to improve that area he has done nothing to improve my Quality System...I have. He simply observed and reported the finding. In addition, how would I monitor the metrics for any of these "suppliers?" If I'm getting employees from the temp service that show up late for work does that mean the temp service has poor delivery therefore their on-time delivery metrics suffers? My thoughts are that this is carrying it too far and does not belong on the ASL.

Thoughts??

gilstrr  
10th October 2011 10:58 AM

Re: AS9100 Clause 7.4.1 Purchasing Process and Approved Supplier List Records

What have you defined in section 4.2.4 Records Control as your retention period? Simply define it and do it. The only other requirement would be anything flowed down from another source. In other words, does one of your customers require that you maintain these records for a minimum period of time?

dsanabria  
10th October 2011 03:29 PM

Re: AS9100 Clause 7.4.1 Purchasing Process and Approved Supplier List Records

Quote:

In Reply to Parent Post by gilstrr (Post 453351)

Could I get some opinions and/or arguments for the following?
We have an AS9100B QMS and I have updated our documents to AS9100C. Last week we had an internal audit (by an outside source) and one of their comments about our ASL was that I do not have listed the Registrar, the consulting firm that performed our internal audit nor the temporary service we use to find some of our employees. I have all other suppliers listed with all required information per the Rev. C Standard.

My argument was that I have all suppliers listed that provide goods or services that affect the quality of our products that we sell to our customers. How does our Registrar provide a service that affects the quality of our products? If he comes in and writes me a finding on my Quality System and when I implement the corrective action to improve that area he has done nothing to improve my Quality System...I have. He simply observed and reported the finding. In addition, how would I monitor the metrics for any of these "suppliers?" If I'm getting employees from the temp service that show up late for work does that mean the temp service has poor delivery therefore their on-time delivery metrics suffers? My thoughts are that this is carrying it too far and does not belong on the ASL.
Thoughts??

First, find out where he got this requirement for an approved supplier list - (ASL).

then read the requirement

;  
AS9100 7.4.1  
"The organization shall evaluate and select suppliers based on their ability to supply product in accordance with the organization's requirements..."

and - Unless those companies (mentioned above) provide services to your product then, they don't should not be part of the ASL.

finally... its time to start looking for another outside source...;

Sidney Vianna  10th October 2011 04:37 PM

Re: AS9100 Clause 7.4.1 Purchasing Process and Approved Supplier List Records

Quote:

In Reply to Parent Post by gilstrr (Post 453351)

Thoughts??

From what you described, you are OUTSOURCING the internal auditing process, which happens to be a QMS-related process. To that effect, 4.1 of the AS9100 standard requires you to control the outsourced internal auditing process. How do you determine if the people/vendor are competent to perform an effective QMS internal audit of your organization? How do they schedule, plan, perform and report audit results? What are their qualifications? Etc.

Quote:

In Reply to Parent Post by dsanabria (Post 453406)

First, find out where he got this requirement for an approved supplier list - (ASL).

Probably from the requirement that reads

Quote:

The organization shall  
a) maintain a register of its suppliers that includes approval status (e.g., approved, conditional, disapproved) and the scope of the approval (e.g., product type, process family),
Yes, but if you go on to read it says, "Where an organization chooses to outsource any process that 
**affects product conformity to requirements**, the organization shall ensure control over such 
processes." My point of contention is that an audit in itself does not "affect product conformity to 
requirements."

Thank you very much for your comments!

---

**Jason PCSwitches**

10th October 2011 04:58 PM

**Re: AS9100 Clause 7.4.1 Purchasing Process and Approved Supplier List Records**

Quote:

_In Reply to Parent Post by gilstrr (Post 453415)_

Yes, but if you go on to read it says, "Where an organization chooses to outsource any process 
that **affects product conformity to requirements**, the organization shall ensure control over 
such processes." My point of contention is that an audit in itself does not "affect product 
conformity to requirements."

Thank you very much for your comments!

The auditing of your processes does have a relationship to product conformity!!!!!!!

---

**dsanabria**

10th October 2011 05:10 PM

**Re: AS9100 Clause 7.4.1 Purchasing Process and Approved Supplier List Records**

Quote:

_In Reply to Parent Post by gilstrr (Post 453351)_

Could I get some opinions and/or arguments for the following?
We have an AS9100B QMS and I have updated our documents to AS9100C. Last week we had 
an internal audit (by an outside source) and one of their comments about our ASL was that I do 
not have listed the Registrar, the consulting firm that performed our internal audit nor the 
temporary service we use to find some of our employees. I have all other suppliers listed with 
all required information per the Rev. C Standard.

My argument was that I have all suppliers listed that provide goods or services that affect 
the quality of our products that we sell to our customers. How does our Registrar provide a service 
that affects the quality of our products? If he comes in and writes me a finding on my Quality 
System and when I implement the corrective action to improve that area he has done nothing to 
improve my Quality System...I have. He simply observed and reported the finding. In addition, 
how would I monitor the metrics for any of these "suppliers?" If I'm getting employees from the 
temp service that show up late for work does that mean the temp service has poor delivery 
therefore their on-time delivery metrics suffers? My thoughts are that this is carrying it too far 
and does not belong on the ASL.

Thoughts??
Just for clarification.

Yes, the outside auditor can be included in the ASL (not sure how you would review it's performance... would like to hear what other cove member have done).

The auditor ask you to place the "temp agency" on the ASL

and your registrar?

Did they also asked you to place the telephone, water and electricity companies in the ASL?

Sidney Vianna  
10th October 2011 05:39 PM

Re: AS9100 Clause 7.4.1 Purchasing Process and Approved Supplier List Records

Quote:

In Reply to Parent Post by gilstrr (Post 453415)
My point of contention is that an audit in itself does not "affect product conformity to requirements."

You have a valid point. However, look at Note 2 under 4.1, which reads

Quote:

NOTE 2: An "outsourced process" is a process that the organization needs for its quality management system and which the organization chooses to have performed by an external party.

So, once again, we have a situation which shows that the authors of ISO 9001 could have done a better job, in terms of clarifying the requirements.

gilstrr  
10th October 2011 06:10 PM

Re: AS9100 Clause 7.4.1 Purchasing Process and Approved Supplier List Records

Sidney, that is the best argument yet that I have seen for adding auditors to the ASL. During previous reads of the standard I did not look at that note in the same light, but a case could certainly be made for it on second look. I have outsourced my internal audit and we "outsource" some of our employee finding by using a temp service, but would you consider our Registrar as an outsourced process? Isn't that just part of the requirement of obtaining certification? There is no option of performing that process internally.

kgott  
10th October 2011 08:29 PM

Re: 7.4.1 Purchasing Process

What’s wrong with saying that the mere fact that a supplier is on the list means they are approved? Our finance department has this list and they send out by email seeking the suppliers particulars required to
contact and pay them.

We don't evaluate all suppliers, we have 4 categories, those we don't evaluate anyway because they are large national and or international organisations, Joe Blow and his offsider with this truck, those who are off-the-shelf suppliers and those few we do an assessment on when we use them on projects and their evaluation is part of the project closure report

Easy as, ..... or have I missed something?

gilstrr 11th October 2011 08:09 AM

Re: 7.4.1 Purchasing Process

Simply being on a list does not mean that the organization is managing the supplier. AS requires you to manage your suppliers.

dsanabria 11th October 2011 03:47 PM

Re: 7.4.1 Purchasing Process

Quote:

In Reply to Parent Post by gilstrr (Post 453492)
Simply being on a list does not mean that the organization is managing the supplier. AS requires you to manage your suppliers.

..and getting back to the original point -

How do you manage an external auditor?

(technically speaking - they do meet the criteria .... practically - where is the value to the product?)

Most companies invest resources in process that add value to the product. When do we begin to use common sense or when do we take it to the other extreme.:confused:

Sidney Vianna 11th October 2011 03:58 PM

Re: AS9100 Clause 7.4.1 Purchasing Process and Approved Supplier List Records

Quote:

In Reply to Parent Post by gilstrr (Post 453424)
but would you consider our Registrar as an outsourced process?

Definitely NOT!
Re: AS9100 Clause 7.4.1 Purchasing Process and Approved Supplier List Records

I’ve got to agree with Sidney here. This is a bit extreme but it’s intended to show a little perspective on this, but if we considered a certification body an outsourced process, should we then consider the government who makes laws (standards) we need to comply with as an outsourced supplier? I don’t think so.

Re: AS9100 Clause 7.4.1 Purchasing Process and Approved Supplier List Records

I agree, where does it stop? What about the electric company? Without them we have no product. Water company, phones, insurance that insures our product...all, arguably could play a part if we take Note 2 of section 4.1 as intended to apply to these sorts of activites. Or, is 7.4.1 the defining section, "The organization shall evaluate and select suppliers based on their ability to supply product in accordance with the organization’s requirements." Or, "The type and extent of control applied to the supplier and the purchased product shall be dependent upon the effect of the purchased product on subsequent product realization or the final product." In this statement, our electric company has a much bigger impact than outside auditors since we are a manufacturing facility.

I certainly thank you all for your inputs and opinions. I have made the decision to not include the 3rd Party Auditors, the Registrar nor the Temporary Employment Agency in our ASL. We'll see what the Registrar says in December.

Thanks again...Mike!

Re: AS9100 Clause 7.4.1 Purchasing Process and Approved Supplier List Records

Hi all,

I'm not sure if this is the right thread or should i open a new one.Hope to have a discussion on AS9100C 7.4.1 f)
Determine and manage the risk when selecting and using suppliers

How depth is the expectation to comply with this requirement?
I know supplier risk analysis and mitigation plan are expected.
Does anyone have example of analysis format that actually beneficial for company.

FMEA,4x4 risk matrix are something that i’ve been thinking.

Anyone please share.
Thanks

Re: AS9100 Clause 7.4.1 Purchasing Process and Approved Supplier List Records

25th October 2011 06:00 AM
Re: AS9100 Clause 7.4.1 Purchasing Process and Approved Supplier List Records

To my way of thinking, another aspect of this issue of how far do we go in terms of managing suppliers, is the consideration of the amount of effective control and or influence we exert over them.

In addition to this, is the amount of direct influence they exert over the product realisation process and the customers product, how much direct input do utility providers (and other similar remote suppliers) have into the organisations product.

We exert very little influence or control over a utility provider therefore we exert very little control or influence (in most instances) over the risk of their failure to supply. Therefore, there is little to manage.

This to me, means that such suppliers cease to be suppliers. This may be something of a circular argument but that's how I would deal with it.

Re: AS9100 Clause 7.4.1 Purchasing Process and Approved Supplier List Records

Quote:

In Reply to Parent Post by QE-Bob in Wisc (Post 447898)
If you have an Approved Vendor list and on this list you have vendors that you do not have any records of how they were evaluated to get on the list (such as a reg cert, survey, etc...) would you find that this fails to meet the requirement of "Records of evaluations ...are maintained". We do have records of quarterly evaluations of their performance.

Just curious

For first time suppliers I have a category for in approval process, I want to actually see what they deliver prior to putting them on my list. Once I have proof that the delivered goods were on time and conformed I then move them to approved. I think something everyone is missing is the inclusion of critical items and key characteristics. I believe the ASL and procedures for it are determined by the organization as to how much impact the delivered product from the supplier has. I have several categories of suppliers and one that does not require approval for utilities, office supplies etc. I do include my external internal auditor in the ASL.

Re: 7.4.1 Purchasing Process

I would guess that there would be a write up if you cannot identify how you originally approved them. Supplier ratings are fine and dandy, but without some initial contact information (supplier survey, supplier audit, third party certification) I would question how they got on your list.
dwhite624  
5th November 2012 06:43 PM

Re: AS9100 Clause 7.4.1 Purchasing Process and Approved Supplier List Records

I just started at a company and we are preparing for our AS9100 audit. I was reviewing the ASL on file and I noticed they have companies like (Verizon Wireless, City of Englewood, United Health Care) on the list. I asked why these were on the list and they told me the registrar made them include them. This seems a bit overboard to me? Do we need to document suppliers like this? It makes our ASL register grow to over 400 suppliers.

gilstrr  
6th November 2012 08:07 AM

Re: AS9100 Clause 7.4.1 Purchasing Process and Approved Supplier List Records

To dwhite624: No, those "suppliers" do not need to be on your ASL. Read what kgott wrote on Oct 25, 2011. It is very well stated and is an excellent argument for not adding your phone company, electric company and city government to your ASL. However, in my 20+ years in this business I am also realistic enough to know that all Auditors are not created equally and they all have their own set of interpretations when it comes to the standard...even when official "interpretations" have been given it is somewhat interesting to hear their perspective on those.

In contrast to my original entry on October 11, 2011 I have added a few suppliers to my ASL that I would not have originally thought would be there. They are my Certification Body, the temp service we sometimes get employees through and the company that does our safety training (we outsource that task). I realize arguments can be made for both sides, but my suggestion is make a decision based on your company's system, needs and environment. Develop a legitimate reason for doing it that way, document it and stand behind it.

Thanks!

Eloy Gomez  
29th December 2012 04:34 PM

Re: AS9100 Clause 7.4.1 Purchasing Process and Approved Supplier List Records

Quote:

In Reply to Parent Post by gilstrr (Post 453685)
I agree, where does it stop? What about the electric company?
I certainly thank you all for your inputs and opinions. I have made the decision to not include the 3rd Party Auditors, the Registrar nor the Temporary Employment Agency in our ASL. We'll see what the Registrar says in December.

Thanks again...Mike!

Hello, interesting thread. What was the final outcome?  
http://elsmar.com/Forums/images/misc/progress.gif
Big Jim

29th December 2012 05:32 PM

Re: AS9100 Clause 7.4.1 Purchasing Process and Approved Supplier List Records

I think Sindey said it best back on post 18:

"So, once again, we have a situation which shows that the authors of ISO 9001 could have done a better job, in terms of clarifying the requirements."

gilstrr

2nd January 2013 07:38 AM

Re: AS9100 Clause 7.4.1 Purchasing Process and Approved Supplier List Records

The final outcome was that I added the 3rd Party Auditors (which have since been removed), the Registrar and the Temporary Employment Agency. It's a small price to pay for peace.
If you are having problems Registering, Activating your Registration, or other problems, you can phone me in the US. I'm not here 24/7/365, but if I'm here I'll try to help.