

Production Control / Delivery

Planning and Shipping Release

830 Planning Schedule

The 830 Planning Schedule provides each supplier with six (6) month(s) of forecast information. The planning schedule is a tool to be utilized by suppliers for their production and capacity planning. Shipments are not authorized from the 830 Planning Schedule.

Currently, the 830 Planning Schedule is transmitted on a weekly basis and is available on Monday evening. In the event Monday is a Hitachi holiday the schedule will be delayed by one day. Each transmission of the 830 Planning Schedule will override (replace) the prior 830 Planning Schedule.

The 830 Planning Schedule will contain authorization for Fabrication of a product and authorization for the purchase of Material to fabricate a product. The Fabrication Authorization will be represented by a cumulative quantity including cumulative quantity received and all current requirements within the fabrication leadtime window. Fabrication authorization is authorization for parts to be built to be shipped against a future delivery order number (DON). Suppliers should build to the Fabrication Authorization to be able to meet Hitachi's shipping requirements. Hitachi will be responsible for purchasing parts inside the Fabrication Authorization time period.

The Material Authorization will be represented by a cumulative quantity including cumulative quantity received and all current requirements within the material purchasing leadtime window. Material Authorization is authorization for the purchase of material. Hitachi is authorizing the supplier to procure material for quantities inside the Material Authorization time frame.

Suppliers should carefully review their releases and use the Fabrication Authorization and Material Authorization quantities to plan their production and procurement requirements in advance of receipt of shipping order.

PHASE OUT PARTS WILL BE INDICATED ON THE PLANNING SCHEDULE AS A BALANCE OUT PART. This may not be a final release but notification of phase out. The recipient of the release should have a clear understanding of their company's software and take necessary actions to carefully manage phase out parts. Refer to Section 12 EDI – Segment PRS, “B” indicates Balance out or phase out notice.

If a supplier has dead stock as a result of a phase out and they feel (ASTEMO)AM is responsible they must file a claim within 30 days of the phase out with their Production Control contact person.

Segment: **LIN** Item Identification
Position: 010
Loop: LIN Mandatory
Level: Detail:

Data Element Summary

<u>Ref.</u>	<u>Data</u>	<u>Element Name</u>	<u>Attributes</u>
LIN09	234	Product/Service ID - Engineering Change Level	X AN 1/48

It is the supplier's responsibility to ensure component parts shipped to Hitachi are the correct revision level.

Each supplier's format varies based on their software, so the below example may not be indicative of the actual release.

Example

Part No. GEXXXXXX X
Blanket Purchase Order No. B12345
Cum Received 500 pcs.

9/22/08	100	D/W
9/29/08	100	D/W
10/6/08	500	D/M
11/1/08	500	D/M
12/1/08	600	D/M
1/1/09	500	D/M
2/1/09	500	D/M
3/1/09	600	D/M

Fabrication Cum 1,300 pcs.
Material Cum 1,800 pcs.

Type D = Planned
Order

The 830 Planning Schedule example identifies the planned production schedule for the next six (6) months. The period identified as the shipping leadtime will be presented in weekly form, with the remaining schedule being reflected in monthly schedules. The first monthly planning number will be reflective of the remaining balance for that month not covered by the weekly requirements. The planning schedule identifies the part number and the blanket order number, as well as the total (cumulative) receipts against the blanket order. The planning schedule will also authorize the fabrication and material cum. These numbers will authorize the production and ordering of material for production. The cumulative quantity will be inclusive of parts received by Hitachi Automotive Systems Americas, Inc., and calculated based on the appropriate leadtimes by accumulating planning quantities through the appropriate date.

862 Shipping Schedule

The 862 Shipping Schedule contains weekly requirements that represent a firm delivery order with identifying dates and quantities. Delivery order numbers will be issued for each shipping schedule. The dates identified within the 862 Shipping Schedule represent delivery dates

(date due at Hitachi Automotive Systems Americas, Inc.). Regardless of purchasing/shipping term the dates on the 862 reflect date parts are due for delivery at (ASTEMO)AM.

Each transmission of the 862 Shipping Schedule will override (replace) the prior 862 Shipping Schedule.

The 862 Shipping Schedule will be released in standard pack quantities. It is the supplier's responsibility to advise Production Control of the correct order multiple. Phase out parts will be an exception and will be released in as needed quantities.

All questions and concerns with shipping schedules and leadtimes should be directed to your Production Control Planner. Refer to Section 13 for PC contact names.

Example

Part No. GEXXXXXX X
Blanket Purchase Order No. B12345-00
Cum Received 1,000 pcs.

C
F
F
F
F

Type C = Firm Order

The 862 Shipping Schedule example represents the firm delivery order. Referenced are the blanket order number, part number and quantity received by Hitachi Automotive Systems Americas, Inc.. The dates and quantities indicate what the supplier is authorized to ship to Hitachi Automotive Systems Americas, Inc.. These parts should be shipped against the delivery order number.

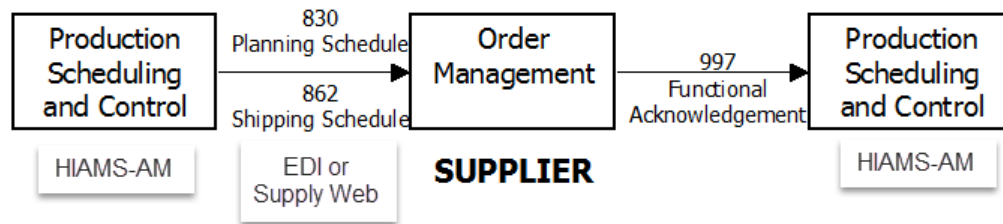
Note: Cum received is the actual receipts of all parts at Hitachi Automotive Systems Americas, Inc. and does not include any shipments in-transit. Therefore, it is the supplier's responsibility to adjust the requirements by the amount in-transit. The amount in- transit can be calculated by taking the Cum received at Hitachi Automotive Systems Americas, Inc. and comparing it to the Cum shipped from the supplier's location. The difference represents the in-transit quantity. Therefore it is imperative that cum be tracked an any differences or disputes be reconciled as they occur.

! 48 hours maximum for discrepancy resolution.

! The Cum quantity will never decrease. When parts are Returned to Vendor (RTV), the quantity will not be subtracted from the Cum. If the RTV parts can be reworked and sent back to (ASTEMO)AM, this quantity will be added again to the Cum.

! Cums are reset each April.

Procedure to Send Release to Suppliers



997 Functional Acknowledgment

The 997 Functional Acknowledgements will be used to acknowledge the receipt of transaction sets. The 997 Functional Acknowledgments is only a syntactical check of the data; it will not verify data content.

For Supply Web suppliers the functional acknowledgement is generated by logging in to Supply Web. Supplier must log in to generate the acknowledgement. Any questions regarding Supply Web please access the training links section.

All transaction sets must be acknowledged within a **(24)** hour window of receipt. Non-compliance will affect the supplier's delivery rating.

864 Text Document

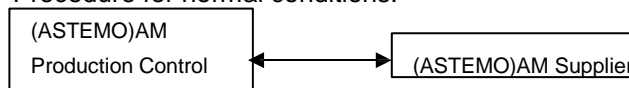
The 864 Text Document will be used in an information capacity only. Text will NOT be used to convey any information found in the other EDI Documents

Examples of type of information to be found in a text document are as follows:

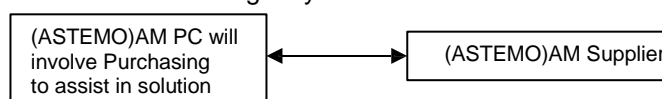
- ! Plant closings
- ! Holidays
- ! Contact names & numbers
- ! EDI Testing Schedules (future)
- ! EDI Implementation Schedules (future)

Two Way Communication Between (ASTEMO)AM & Supplier Regarding Delivery

- Procedure for normal conditions:



- Procedure for Emergency conditions:



- It is very important for new suppliers to meet with (ASTEMO)AM PC Contact person(s). Order multiplies need to be established so that Purchase Orders generated by PC department will be issued in correct shipping quantities. The shipping point is needed to determine the correct shipping method and transit time.

Supplier Rating – Delivery

Supplier Delivery Tracking Report is used to track on-time delivery performance of all Hitachi Automotive Systems , Inc. suppliers. The rating is determined by comparing actual receipts to the 862 Shipping Schedule. Receipts are tracked and rated as early, on time or late. The received date and received quantity must match the 862 Shipping Schedule to be rated on time. The total number of receipts is divided by the number of on-time deliveries to calculate the on-time percentage. **To achieve on time this means zero days late and zero days early.**

The monthly Supplier Delivery Tracking Report provides details of each delivery for the month. The Supplier Delivery Tracking Report is posted on Hitachi's website, www.hitachi-automotive.us, the (ASTEMO)AM supplier code and supplier password are required to access the report. Please contact your PC Planner for this information. Monthly ratings are also published and reviewed with in Hitachi. This report gives details of each drawing number and delivery order number and a rating for each section code and total vendor rating. (ASTEMO)AM selects trucking company so supplier is not held responsible for late/early deliveries if parts left supplier within trucking service days. (See Transportation/Logistics Section 8.) Any discrepancies in the Delivery Tracking Report must be reported to PC department planner at once. Discrepancies not reported within one month cannot be reviewed. It is the supplier's responsibility to notify PC department planner of any problems.

PC is also responsible for semiannual delivery rating and is awarded 30 points. Any supplier that falls below 90% rating may be issued a corrective action report and be required to submit a written cause and countermeasure.

Supply Web training – for any questions regarding Supply Web please access the training section.

[Delivery : D]

D)

Keep delivery date					# of occurrences of Premium Freight			G		}	G+H 25.0
100% on time					Zero			20			
> 95% on time					1 +						
80-94% on time					Actual # if 1+			5			
< 80% on time											
20					5			0			
15											
10											
0											
(G)					(H)						

Attitudes		① Secures appropriate plant capacity, cooperates well and responds quickly to fluctuations in order quantity	1	}	I 5 G+H+I 25.0
Production control		① Supplier has not caused a customer disruption, including yard holds and stop ships	1		
		② Supplier has not caused Hitachi to receive customer notifications of Special status related to delivery issues	1		
3 points		③ Informs Hitachi quickly when delivery dates cannot be met	1		
			1		
EDI		① Standard or alternate EDI is implemented	1	Evaluation points	
			Total points(I)	5	30.0

OBJECTIVE:

1. Sufficient inventory to keep production line running.
2. All suppliers to maintain an acceptable delivery rating (>90%).
3. E.D.I. capable / Supply Web

PLAN:

Review all suppliers with ratings below acceptable level.

METHODS:

Identify suppliers with delivery issues. Suppliers with unacceptable ratings may not be considered for new business.

ACTION TAKEN:

1. Advise supplier of Monthly Delivery Performance so they can:
 - a) Evaluate their delivery
 - b) Determine what they need to do to improve.
2. P.C. member will work with supplier on delivery improvement
by: a) Documenting steps taken with notes, phone logs, faxes etc. b) Will target 30 days for improvement.
3. May issue C.A.R.D. (Corrective Action Request-Delivery).
 - a) Supplier provides Recovery Schedule (ship schedule) within 24 hrs. b) Supplier provides Cause and Countermeasure within 7 days.
 - c) Evaluate effectiveness of C.A.R.D.
4. If C.A.R.D is not effective and production/customer line is threatened then:
 - a) Bring problem to upper management inside (ASTEMO)AM. b) Schedule an emergency meeting with the supplier.

Updated.Form

CORRECTIVE ACTION REQUEST - DELIVERY			
Hitachi Automotive Systems America, Inc. 955 Warwick Road - P.O. Box 519 Harrodsburg, KY 40330			
SUPPLIER:	C.A.R.D. #:	DATE:	REFERENCE: PALPC-WI-004
CUSTOMER:	DRAWING NUMBER:	ISSUED BY:	PHONE/FAX #:
		PART NAME:	
PROBLEM DESCRIPTION:			
I			
RECOVERY SCHEDULE: (TO BE PROVIDED TO HITACHI PC DEPT CONTACT WITHIN 14 WORKS OF C.A.R.D. RECEIPT)			
ROOT CAUSE:			
CHECKLIST	Yes	No	SUPPLIER'S COMMENTS
IS TOOLING ADEQUATE?			
TOOLING ISSUES?			
FORECAST PROVIDED?			
EQUIPMENT CAPACITY ISSUES?			
QUALITY OR ENGINEERING ISSUES?			
SPECIAL MATERIAL REQUIREMENTS?			
IF NO MATERIAL LEAD TIME			
HITACHI RECEIVING DISCREPANCY?			
OTHER:			
CORRECTIVE ACTION - LIST DETAILS OF PLANNED CORRECTIVE ACTION/COUNTERMEASURE: (TO BE PROVIDED TO HITACHI PC CONTACT WITHIN 14 DAYS OF C.A.R.D. RECEIPT)			
PROJECTED IMPLEMENTATION DATE: _____			
COUNTERMEASURE REVIEWED FOR GLOBAL IMPLEMENTATION: Yes or No _____			
SUPPLIER SIGNATURE: _____		TITLE: _____ DATE: _____	
DATE CLOSED: _____		SIGNATURE: _____	
EFFECTIVITY: 90 DAYS AFTER CLOSURE		DATE EFFECTIVITY CHECKED: _____	
EVALUATED BY: _____		DATE: _____	
METHOD: _____			
PAL-FORM-132 ISSUE: 3		AUTHORIZATION: B. Collins	
		PAGE 1 OF 1 DATE: 10/13/14	

Kanban Guidelines

! Kanban suppliers will receive an 830 Planning Schedule as stated in the Planning and Shipping Release Section.

! PC Planner will complete Kanban pull per agreement with each supplier. If parts are needed then PC Planner will issue a Purchase Order for quantity needed. PC Planner will then transmit orders by EDI , Supply Web and/or email.

! Supplier is responsible to advise PC immediately of any potential shortages.

Training Links

<https://supplyweb.hitachi-automotive.us/supplyWeb/tutorial/index.html>

https://supplyweb.hitachi-automotive.us/supplyWeb/ics_files/SupplierDemand.wmv

https://supplyweb.hitachi-automotive.us/supplyWeb/ics_files/SupplierTrainingPreferences.wmv

https://supplyweb.hitachi-automotive.us/supplyWeb/ics_files/ShipmentsandASN.wmv

https://supplyweb.hitachi-automotive.us/supplyWeb/ics_files/IntegrationOptions.wmv

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