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DENSO

Production Control Supplier Manual

POLICIES AND GUIDELINES

LEVEL/SECTION

PACKAGING

TITLE

PACKAGING PROGRAM RESPONSIBILITIES

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PURPOSE

To define the responsibilities associated with the DMMI Packaging Program.

PACKAGING ASSUMPTIONS

RETURNABLE PACKAGING OWNERSHIP POLICY

DMMI will purchase and retain ownership of returnable packaging when:

- The container is standard dimensions
- The container is stack only
- The container does not contain dunnage

DMMI will not purchase and retain ownership if the returnable packaging is specific to a product, unless otherwise specified by DMMI.

RETURNABLE PACKAGING PURCHASE POLICY

- DMMI Production Control Engineering (PCE) will calculate the quantity of returnable packaging required to support the system. PCE will inform the supplier of acceptable inventory levels and packaging purchase amounts.
- If the supplier would like more packaging than DMMI will purchase, the supplier may submit a written request to PCE. PCE will purchase the additional packaging and the supplier will be invoiced for the cost. DMMI will retain ownership of this packaging.
- When returnable containers are implemented, all shipments are expected in the returnable containers. Shipments in expendable packaging will not be allowed if the supplier is not maintaining acceptable inventory levels.

RESPONSIBILITY

I. DMMI Production Control Engineering (PCE)

A. General responsibilities

- Provide supplier with DMMI requirements.
- Review the suppliers packaging specifications for component parts.
- Provide suppliers with approved packaging specifications for A-parts.

- Request test shipments as necessary.
- Approve the workability of the package, not the part/package quality, within DMMI.
- Investigate and implement cost reductions.

B. Expendable Packaging responsibilities

- Review the suppliers packaging specifications for component parts.

C. Returnable Packaging responsibilities

- Assist in determining ownership of containers.
- Establish system days allocation for DMMI-owned containers.
- Review requests for returnable packaging deviations.
Monitor allocation levels for DMMI-owned containers.

II. DMMI Purchasing/Localization

A. General responsibilities

- Review and approve packaging cost.
- Assist in establishing system days for DMMI owned returnable containers.

III. Supplier

A. General responsibilities

- Review and adhere to DMMI requirements.
- Designate a packaging contact to resolve packaging related issues.
- Monitor packaging condition and ensure quality of pack before use.

Note: This includes *cleaning totes, sorting out damaged packaging and replacing damaged bartag / ID tag holders. Holders will be provided by DMMI.

- Investigate packaging improvements.
- Provide packaging cost analysis to DMMI Purchasing.
- Submit new specification when:
 1. Part has design change (ECI)
 2. Package changes
 3. Lot size changes
- Initial orders must be shipped in mass production packaging.

B. Expendable Packaging responsibilities

- Develop packaging per DMMI requirements for component parts as a back up to the returnable container.

- Submit sample packs and perform package testing when necessary.
- Utilize approved packaging designs for mass production.
- Utilize DMMI standard wood pallets.

C. Returnable Packaging responsibilities

1. Supplier Owned Returnables
 - Must be approved by DMMI PCE Department.
 - Must meet AIAG standards.
 - Must be cleaned and maintained by the supplier.

2. DMMI Owned Returnables
 - Inspect all containers, prior to use, for damage and reject packaging that will not ensure part quality.
 - Remove any old tags and/or debris from packaging.
 - Monitor production changes and notify DMMI PCE of potential shortages before the situation becomes a crisis.
 - Utilize approved designs for mass production.
 - Request packaging deviation approval (24 hours prior to shipment) if required to use an expendable backup system.

3. Backup Packaging Maintenance

The supplier must maintain a sufficient supply of expendable packaging of the same dimensions and quantity as the returnable container. This is used for pilot programs, special shipments and returnable container shortages.