



Chapter 28. Identification and Traceability, Property Belonging to External Parties

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0) Introduction

Identification and traceability, and properties belonging to external parties are actually 2 different topics. They are lumped in a chapter, otherwise the 2 chapters are too short each. Also these 2 topics are generally well-managed and there are not many problems and complaints from customers expected.

1) 8.5.2 Identification and traceability (ISO9001)

(Clause Description-Paraphrase)

The organization shall identify the status of outputs with respect to monitoring and measurement requirements throughout production and service provision. The organization shall control the unique identification of the outputs when traceability is a requirement, and shall retain the documented information necessary to enable traceability.

NOTE (16949) Inspection and test status is not indicated by the location of product in the production flow unless inherently obvious, such as material in an automated production transfer process. Alternatives are permitted if the status is clearly identified, documented, and achieves the designated purpose.

(Highlights of the Clause)

- (Ref to old Standards). There had been a similar clause, 7.5.3 of the same title, in the old version of ISO9001. All requirements of the previous clause are retained
- This clause only applies when traceability is a requirement. In automotive, this clause is a requirement.
- The requirement is identify the output with respect to monitoring and measurement throughout production and service cycle, and retain the documented information for traceability
- IATF added a NOTE here. That if identification and test status cannot be indicated by location of the product, alternatives are permitted if designated purpose can be achieved

(Compliance Best Practice)

8.5.2 Identification and traceability

1. *In automotive, traceability is a requirement. Therefore there is no exemption for traceability*
2. *Identification for traceability is primarily on status of monitoring & measuring (M&M). Examples, 'waiting for inspection', 'QC pass', 'on-hold', 'MRB decision', 'scrap' etc.*
3. *Method used for identification of M&M status can be tagging, or special place allocated with signages, barcode etc*

2) 8.5.2.1 Identification and traceability-supplemental (IATF16949)

(Clause Description-Paraphrase)

The purpose of traceability is to support identification of clear start and stop points for product received by the customer or in the field that may contain quality and/or safety-related nonconformities. Therefore, the organization shall implement identification and traceability processes as described below.

The organization shall conduct an analysis of internal, customer, and regulatory traceability requirements for all automotive products, including developing and documenting traceability plans, based on the levels of risk or failure severity for employees, customers, and consumers. These plans shall define the appropriate traceability systems, processes, and methods by product, process, and manufacturing location that:

- a) enable the organization to identify nonconforming and/or suspect product;
- b) enable the organization to segregate nonconforming and/or suspect product;
- c) ensure the ability to meet the customer and/or regulatory response time requirements;
- d) ensure documented information is retained in the format (electronic, hardcopy, archive) that enables the organization to meet the response time requirements;
- e) ensure serialized identification of individual products, if specified by the customer or regulatory standards;
- f) ensure the identification and traceability requirements are extended to externally provided products with safety/regulatory characteristics

(Highlights of the clause)

- (Ref to old Standards). There was a similar clause, 7.5.3.1 of the same tile, in the previous version of ISO/TS16949. It used to only said that identification & Traceability cannot be exempted.
- Now the new clause is expanded as below:
- Organization shall determine the requirements from internal, customer, and regulatory perspective, including a developing a traceability plan, based on risk and failure severity
- Traceability plan shall include requirements stated as a) to f) of the clause
- Control shall include externally provided products with safety and regulatory requirements

(Compliance best practice)

8.5.2.1 Identification and traceability-supplemental

1. *This clause adds to the normal requirement for M&M. It focusses on traceability of data for handling of emergency and problem solving*
2. *To be of value, risks of the product on operators, customer and consumer need to be studied and considered in this particular emergency response plan*

3. *A traceability plan is needed for each product or product line found to be high risk. See **Exhibit 28-1** for a specimen.*

3) 8.5.3 Property belong to customers and external providers (ISO9001)

(Requirement-paraphrase)

The organization shall:

- a) exercise care with property belonging to customers or external providers while it is under the organization's control or being used by the organization.
- b) The organization shall identify, verify, protect and safeguard customers' or external providers' property provided for use or incorporation into the products and services.
- c) When the property of a customer or external provider is lost, damaged or otherwise found to be unsuitable for use, the organization shall report this to the customer or external provider and retain documented information on what has occurred.

NOTE A customer's or external provider's property can include materials, components, tools and equipment, premises, intellectual property and personal data.

(Highlights of the clause)

- (Ref to old Standards). There had been a similar clause, 7.5.4 Customer Property, in the previous version of ISO/TS16949.
- All requirements remain and the total requirement is short, as given a) to c) in the clause description above
- Note the major change of supplier properties also under control and external parties is included in the clause.
- The Note also list out more items considered external properties,

(Compliance best practice)

8.5.3 Property belong to customers and external providers

1. *This clause is about managing properties belong to external parties. It used to be only customer properties involved, but in this new version, properties from suppliers shall also be treated the same way*
2. *Establish a procedure covering all external properties and how they are managed and reported. There are generally 2 methods:*
 - a) *For equipment, each equipment shall have an asset card to keep records of transaction and communications See **Exhibit 28-2**.*
 - b) *For consumables such as raw parts, packaging materials and labels etc, the method shall follow agreement with customers. Generally speaking, this is managed by logistics or warehouse dept. The original D/O from customer, delivery order of finished goods, scrap control, and current stock levels will be used for reconciliation. See **Exhibit 28-2***

4) SIs & FAQs

No SIs & FAQs for this Chapter

5) Supplementary Notes



Legend: HOC= Highlights of Clause, CBP= Compliance Best Practice, S&Q= SIs & FAQ, EXH= Exhibits

Clause	Section	Clarification Subjects
8.5.2	CBP	SN28.1 Where are the usual problem occurring in the production line on Identification and traceability?
8.5.2	CBP	SN28.2. Can we use temporary, handwritten labels for WIP?
8.5.2 8.5.2.1	CBP	SN28.3. If traceability plan is provided by customer, do we still need our own internal method?
8.5.1.3	CBP	SN28.4. Is it possible that external providers can loan equipment to an organization? Can you give an example?
8.5.1.3	CBP	SN28.5. How are the consumables type of customer properties being managed? Which department should be responsible?
8.5.1.3	CBP	SN28.6. How are the tooling best managed, who should be responsible?

SN28.1 Where are the usual problem occurring in the production line, on Identification and traceability?

A few places:

- a) WIP from one point to another, quite often there is no tagging/labelling.
- b) at work stations, inspected and not-inspected parts got mixed up , or Ok and NG got mixed up
- c) FG warehouse, when changing from temporary to permanent labels, wrong use of labels can happen.

SN28.2. Can we use temporary, handwritten labels for WIP?

Yes, but make sure they are correctly written, and handwriting legible.

SN28.3. If traceability method is provided by customer, do we still need our own internal method?

If you have only one customer, you probably won't need another internal method. However, if you have several customers, it is unlikely all of them will provide you with a traceability method. Then you should have an organization-specific method, and reference to customer method, if applicable.

SN28.4. Is it possible that external providers can loan equipment to an organization? Can you give an example?

Yes. it is possible, though rare. I have seen an organization needed to test the window motor (purchased part) before delivering the car door liner to customer. Supplier was happy to loan a tester to the organization, plus the attendant training, to help reduce claims from the OEM.

SN28.5. How are the consumables type of customer properties being managed? Which department should be responsible?

Materials such as paper cartons, labels are best managed by the warehouse. A reconciliation report is needed after a period, say every 3 months to the customer. The report should show total receipt – consumed quantity – damaged = balance. The balance data shall be attached. Customer may check onsite to verify the report.

SN28.6. How are the tooling best managed, who should be responsible?

Production Tooling belongs to customer is best managed by the toolroom. Master list shall be available with individual tooling file/cards. For communications, use email and correspondence printed out for records, also kept by toolroom. Design/Project department can keep a copy of email, as they are most likely the window to customer.

6) Exhibits

Exhibit 28-1. Traceability chart

Responsible	Process Flow	Records for Traceability
Store/ IQC	<div style="border: 1px solid green; padding: 5px; text-align: center;"> Note 1 Incoming materials </div>	Note 1: <ul style="list-style-type: none"> • Supplier D/O with Lot No • COA/Mil Cert • IQC report • RoHS (once a year)
Welding Supervisor	<div style="text-align: center;">↓</div> <div style="border: 1px solid green; padding: 5px; text-align: center;"> Note 2 MIG Welding </div>	Note 2: <ul style="list-style-type: none"> • Traveller /Lot No • Program selection record • First piece chisel test records • X-Ray penetration test (monthly) • Machine maintenance records
Assembly Supervisor	<div style="text-align: center;">↓</div> <div style="border: 1px solid green; padding: 5px; text-align: center;"> Note 3 Accessories & Insert </div>	Note 3: <ul style="list-style-type: none"> • Traveller /Lot No • First piece/IPQC inspection records • Machine/spot weld tips/ fixture/measuring jigs maintenance records
Store / IQC	<div style="text-align: center;">↓</div> <div style="border: 1px solid green; padding: 5px; text-align: center;"> Note 4 ED Coating (Outsourced) </div>	Note 4: <ul style="list-style-type: none"> • Consignment and return ID & traceability agreement • Consignment D/O and return from supplier • Report on thickness, cross cut results by supplier • Second party audit report
Painting section	<div style="text-align: center;">↓</div> <div style="border: 1px solid green; padding: 5px; text-align: center;"> Note 5 Painting </div>	Note 5: <ul style="list-style-type: none"> • Traveller /Lot No • Paint thickness, cross cut
QC	<div style="text-align: center;">↓</div> <div style="border: 1px solid green; padding: 5px; text-align: center;"> Note 6 QC </div>	Note 6: <ul style="list-style-type: none"> • FQC report on color, appearance, dimension
Store	<div style="text-align: center;">↓</div> <div style="border: 1px solid green; padding: 5px; text-align: center;"> Note 7 Packing/Storage </div>	Note 7: <ul style="list-style-type: none"> • OQC checks on packing, labelling
Store	<div style="text-align: center;">↓</div> <div style="border: 1px solid green; padding: 5px; text-align: center;"> Note 8 Delivery </div>	Note 8: <ul style="list-style-type: none"> • Delivery note to customer • COA/ Mil Cert

Responding to Complaint

Responsible	Requirement	Standard Practice
QC, store	To identify NCP and suspect	<ul style="list-style-type: none"> From prelim info, explore possible causes
QC/Production	To identify and segregate NCP and suspect	<ul style="list-style-type: none"> Customer to quarantine and segregate NCP & Suspect Organization to quarantine and segregate NCP & Suspect (plus 1 lot before and 1 lot after)
QC	Within Respond time	<ul style="list-style-type: none"> AS instructed by customer, to avoid line down
QC, Purchasing	Documentation on forward and backward traceability	<ul style="list-style-type: none"> Trace forward to other customers, and put outgoing on hold, or alert customer Trace backward to supplier for more data

Remarks given here explain on the Exhibit. Do not include them as part of your document

- This is an example how to construct a traceability chart. There are 2 portions: a) is a flowchart of your operations, b) how you respond to complaints (which also satisfy the clause requirement)
- For the first portion, you list down the various stages where ID&T is required, and identify the records available. Pay special attention to interfaces, where changing of hands occur, as there should be some documentation. If not, that is an omission that needs to be corrected
- The second portion is the guideline to trace the records and clause requirement.

Exhibit 28-2. External Property Management

External Property Management

Type: Equipment

Property	Owner	Date Received
Model/Serial No etc	Dept Responsible/PIC	Date Returned

B. Incidents/Communications

Date/Time	Incident reported	Owner Rep	Agreement	Status
14/6/18 2:30 pm	Tooling XXX accidentally dropped and damaged	Zakaria, Purchasing	Org will repair the tooling at its own cost before Aug 2018. Send verification result to customer	1/9/18: Tooling was repaired and trial run. OK. Results send to customer

Type: Consumables

Property	Owner	Date Received (By Consignment D/O)
Model/Serial No etc	Dept Responsible/PIC	Date Returned (By D/O of Finished Parts + Inventory in store)

Date	Consignment D/O	Qty	FG D/O	Qty	Balance
1/11	BHS 15987	1000			1000
3/11	BHS 16705	1000			1000
5/11			JTC0981	1500	500

Remarks given here explain on the Exhibit. Do not include them as part of the document

- The IATF V2016 has included supplier-provided property into the control. This kind of external property is rare, but relevant in some situations.
- The usual understanding of external properties means tooling and measuring equipment, which is not fully correct in the new version. External property also includes consigned materials, packaging materials, labels, drawings, technical specs, persona data etc provided by an external party.
- The first table above is only suitable for tooling and measuring equipment.
- Consigned materials and packaging materials, labels are fast-turnover items and not practical to be controlled in the first table. The second table is more suitable.
- Drawing and technical data are maintained as document or record control, usually by Doc Controller or Engineering dept. Normal receiving, revision and distribution data are sufficient for controls.

>> End of Chapter 28 <<