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Robert Portney
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Special Foreword for NSQR Revision J

Greetings! First off, I greatly appreciate all our supplier's contributions to the success of SQ20+ over the past year. SQ20+ is our on-going supplier quality initiative focused on preventing supplier caused quality spills. These spills negatively impact our customer's total cost of ownership (TCO), cause erosion of customer Uptime, impact Navistar and the supplier financially, and cause damage to Navistar's and the supplier's brand in the industry.

Since launching this critical initiative in early 2020, the initial data is showing that we have made a significant reduction in supplier caused quality spills. Going forward, we must keep up this momentum by continuing to implement robust processes with our suppliers. These are quantifiable processes that give us continued confidence and assurance of supplier quality.

We started this initiative by identifying "critical" component suppliers that would cause the most damage to our brand if these components failed. As previously released in NSQR revision 'I', we are now identifying these as SPG (Special Product Group) suppliers, which must go through a more robust pre-selection process before being awarded business. eMobility and emerging technology suppliers are included as SPG suppliers automatically. SPG supplier requirements also include increased recertification of their quality systems and process capability of key characteristics after award of business and during current serial production. We have added more detail to the SPG supplier requirements in this revision so please review diligently.

As Navistar is now part of the Traton Group, we are continuing to align synergies and strategies, including the growth, standardization, and execution methodology. The previous NSQR revision 'I' released the expectations regarding VDA 6.3 and 6.5. Navistar expects suppliers to have accredited certified VDA auditors and additional VDA structured conformance approaches. Please begin the practice of these common processes, systems, and tools if you have not already. This includes the implementation of the latest version of the AIAG & VDA FMEA handbook for all initial FMEAs released after November 1st, 2021. When updating older FMEAs for current product it is acceptable to use the previous handbook versions, but suppliers are encouraged to initiate a program to renew those as well.

Finally, SQ20+, TCO, and customer Uptime are all key cogs in the Navistar 4.0 corporate initiative announced previously to grow Navistar's, and consequently our suppliers', market share and profitability. We cannot do this without creating satisfaction in our product at the end customer. I appreciate your continued alliance and cooperation as we work together to achieve these goals. Do not ever hesitate to reach out to the Supplier Quality organization with questions regarding these important strategic initiatives.

Best Regards,

Robert Portney
Director of Navistar Supplier Quality

