



PCI® – PO Box 115 – Alpena, MI 49707  
Phone# 989.358.7070 – Fax# 989.358.7075  
www.pcimfg.com

## STATEMENT OF QUALITY

**INTRODUCTION** - We believe that quality is of utmost importance to the long term success of all stakeholders. To attain this success, our Company has instituted a system of continual monitoring, feedback, and improvement that permeates all areas and levels of the organization. It is not a department of our organization, it is how every team member deals with every issue.

**RESPONSIBILITY** - First and foremost, we believe quality can only come from the input of every stakeholder. This includes employees, customers and vendors. We acknowledge that there will be variances from conformance standards. How those problems are solved is what will drive a quality organization. Every stakeholder must have avenues of input and be encouraged to use them to report and correct deviations.

**CONTRACT REVIEW** - To start the process, each customer order is examined prior to entry to make sure that it is consistent with quoting work sheets, confirming quotes and/or various correspondence. Any discrepancies are immediately clarified with the customer prior to any work being done on the project. Provided the order is accurate, critical data is entered via computer software into the database and a tracking number is issued. This information and tracking number are used to control all work order forms, electronic order confirmations, packing slips, shipping paperwork, purchase orders and invoicing documents.

**DESIGN CONTROL** - Standards and tolerances are reviewed and implemented by the engineering teams. Logs are kept of the acceptable tolerance ranges so consistency is maintained. Detail, weldment, and assembly prints all reflect these standards when the orders are released to be manufactured.

**DOCUMENT AND DATA CONTROL** - Original standard prints are maintained in an orderly fashion. Any changes are carefully reviewed so that all impacts of the changes are understood. Once a modification is approved, all standard log books are retrieved and changed. Past jobs are stored in an orderly fashion for future reference. Once a job is in process and a design needs to be modified, a new print is generated, marked as "Revised" and dated so that there will be no confusion.

**PURCHASING** - Purchase requisitions for materials are generated from engineers. These are electronically sent to the purchasing team and are not modified unless approved by the engineer. The job tracking number is used in association with these requests and purchases so that they can be accurately tracked and monitored for conformance and timeliness.

**CONTROL OF CUSTOMER-SUPPLIED PRODUCT** - Products supplied by customers are listed on the bill of material generated by the engineering team. These products are monitored at receiving and also at assembly so that they assure conformance with regular standards and tolerances.

**PRODUCT IDENTIFICATION AND TRACEABILITY** - All products are labeled through the entire manufacturing process with the job tracking number. Raw material is marked either by writing the number on the material itself or on the container holding the material. Finished subassemblies are clearly marked and are moved on in the process with a clearly marked print or bill of material.

**PROCESS CONTROL** - All bills of materials are stored electronically and sent to process sites. These are then printed and attached to prints and other related information, all of which are clearly marked with the job tracking number. Any modifications are stored electronically, are clearly marked as revisions, dated and explain which parts are to be changed. Previous releases are destroyed. Any design problems found during processing are reported to an engineer who evaluates the problem and determines corrective action with input from the processing team. Any product deviations that are found to be caused by a previous processing team are sent back to them for corrective action along with documentation so that the cause of the problem is identified and addressed.

**INSPECTION AND TESTING** - In addition to process inspections, the product is inspected in its final state to detect any variance from standards. Checklists are completed, dated and initialed. At the loading area, packing slips are reconciled with product to assure accurate counts and conformance. Variances are addressed and re-inspected against those same standards prior to shipment.

**CONTROL OF INSPECTION, MEASURING, AND TEST EQUIPMENT** - Gauge standards are kept for all precision equipment as required. In addition, regular checks of equipment are made. Test product is regularly run to make sure all machinery is in compliance. Each machine has an asset number and complete maintenance records are kept including preventative maintenance.

**INSPECTION AND TEST STATUS** - Incoming material is reconciled against the purchase orders that were issued to the vendors. Any deviation is immediately reported to the purchaser and the goods are set aside and marked until the deviation is corrected.

**CONTROL OF NONCONFORMING PRODUCT** - When nonconforming product is detected, it is immediately set aside and tagged to avoid being re-introduced into the system. This includes any product being returned from a customer. A thorough examination is conducted and the source of the problem is identified. The product is then sent back to the originating source for correction and returned for a complete re-inspection. If at anytime the material is deemed to be scrap, it is marked and segregated for disposal.

**CORRECTIVE AND PREVENTATIVE ACTION** - To track re-work, a sheet is generated assuring that the source of the problem not only corrects the product, but also corrects the cause of the problem. All hours are recorded so that an overall measure can be used to monitor time spent with deviations.

**HANDLING/STORAGE/PACKAGING/PRESERVATION/DELIVERY** - Once material is received and determined to be conforming, it is stored in a systematic manner until utilization. Any material that is kept for extended periods of time is maintained, as necessary, to preserve conformance. It is ultimately checked again at process and shipping points as noted in the PROCESS CONTROL and INSPECTION AND TESTING sections.

**CONTROL OF QUALITY RECORDS** - Inspection records are kept for a period of time for each shipment both inbound and outbound. Quality control documents accompany product where applicable.

**INTERNAL QUALITY AUDITS** - Each process team regularly meets and discusses issues relating to the quality process. Input is shared and evaluated, then changes are made if overall quality can be improved. Leaders randomly check product and process on a daily basis to identify system faults. Any faults that are detected are then discussed with the team to find an appropriate remedy.

**TRAINING** - Training begins at the new hire orientation process and does not stop. Each employee is required to participate in training provided during team meetings. Because quality input is gathered and discussed at team meetings, employee involvement becomes training itself. We feel quality is something that continually changes and improves. Participation in its development provides the best training available.