



Management Service

**Mehr Sicherheit.
Mehr Wert.**

IATF 16949

Preparing for the Transition

Presented by Karleen Bacoccini
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TÜV SÜD in numbers: Growing from strength to strength



1

One-stop technical solution provider

150

years of experience

850

locations worldwide

2,220

million Euro in sales revenue 2015

24,000

employees worldwide as of February 2016*



Note: Figures have been rounded off

*As of 02.29.2016: Inclusive of acquisition in January 2016.

Global expertise. Local experience.



 **Global Headquarters**
Munich, Germany

- Legend:**
-  Countries with TÜV SÜD offices
 -  Regional headquarters

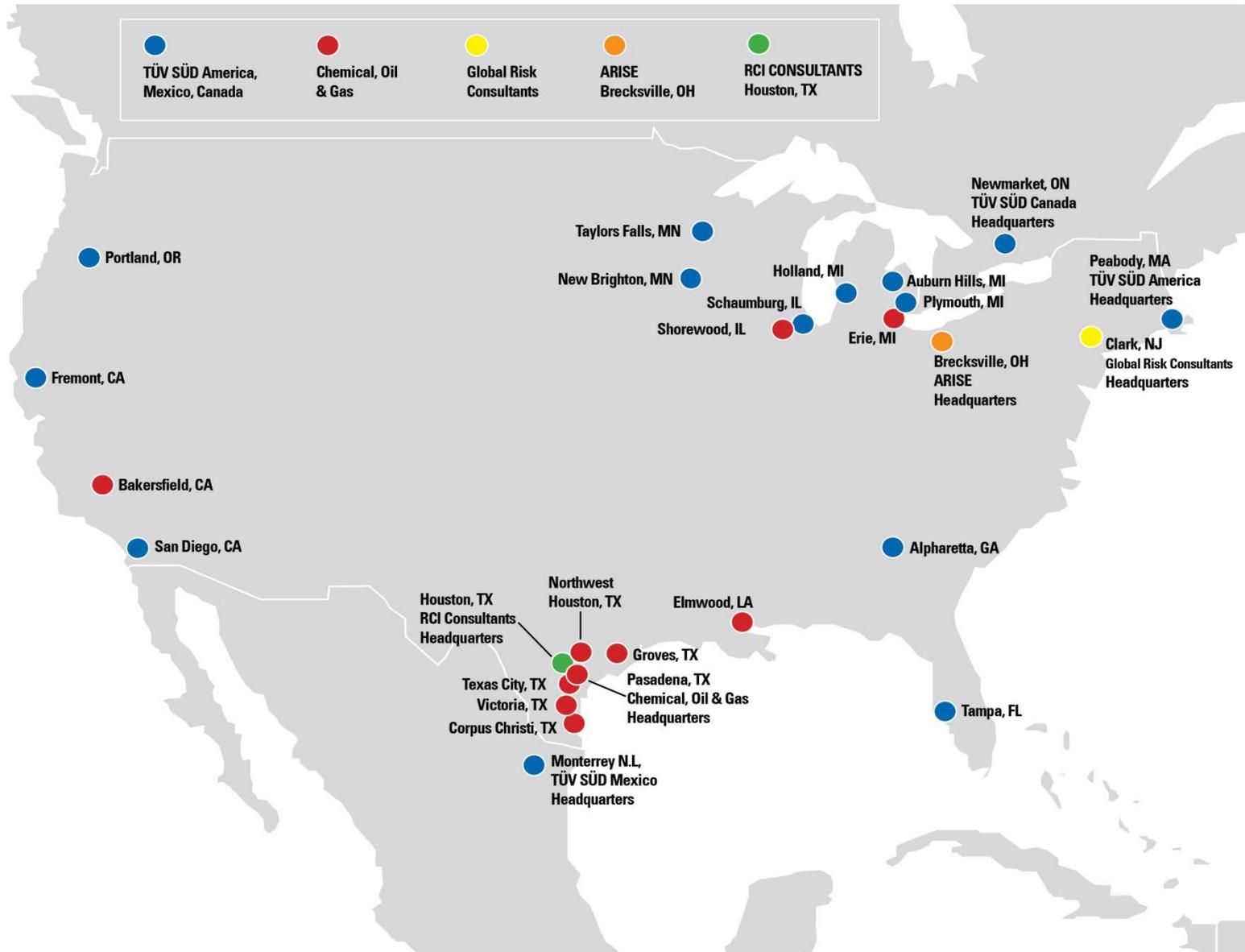
Note: Figures have been rounded off, 2014

GERMANY	INTERNATIONAL
Euro 1,283 mio 11,600 staff	Euro 939 mio 10,800 staff



- TÜV SÜD America Inc., founded in 1987, is the North American subsidiary of TÜV SÜD AG.
- TÜV SÜD America Inc. provides complete services through its divisions:
 - Management Service
 - Product Service
 - Industry Service
 - Chemical, Oil & Gas
 - Global Risk Consultants (GRC)
 - RCI Consultants

TÜV SÜD America locations





Jointly developed in 1999 by IATF members and submitted to the ISO for approval

Combines the quality assurance requirements of ISO 9001 with automotive sector-specific requirements

Backed up by an IATF-developed registration scheme for third-party suppliers to help ensure quality throughout the automotive supply chain

Aligns and strengthens individual quality assurance efforts

What is the International Automotive Task Force (IATF)?



An “ad-hoc” group that includes all major global automobile manufacturers and automotive trade organizations

Includes U.S.-based companies Ford, General Motors and Chrysler, and the U.S. Automotive Industry Action Group (AIAG)

IATF Goals

- Develop consensus regarding industry quality system requirements
- Develop policies and procedures for IATF third-party registration scheme
- Provide training to support IATF standards and registration schemes
- Establish formal liaisons to support IATF objectives

A technical specification developed by the IATF that defines quality management system requirements applicable in the automotive supply chain.

- The international standard for quality management, IATF 16949 adopts the high-level structure implemented in ISO 9001:2015 and also incorporates additional quality requirements applicable exclusively to the automotive sector. Further, IATF 16949 details a registration scheme for third-party suppliers to independently validate compliance with the requirements of the standard.

Replaces ISO/TS 16949, which was jointly developed by the IATF and the ISO in 1999.

- Because ISO/TS 16949 has been widely adopted by automotive manufacturers and suppliers, certification to IATF 16949 is expected to be a procurement requirement for most manufacturers, thereby creating a certification mandate for automotive suppliers throughout the supply chain.

This International Standard along with applicable customer-specific requirements, defines the fundamental quality management system requirements for the automotive production, service, and/or accessory parts organizations.

IATF represents an innovative document with a strong customer orientation.

In August 2016, ISO confirmed that ISO/TS 16949:2009 will become IATF 16949:2016 in conjunction with ISO 9001:2015



IATF 16949:2016 defines the fundamental quality system requirements for automotive organizations and represents a strong customer orientation with incorporation of common automotive customer-specific requirement



New rules for certification to IATF 16949:2016 are scheduled to be released in November 2016.

- On September 14, 2018 all “old” certificates will lose their validity
 - Complete transition phase is 23 months



(Source: <http://iatfglobaloversight.org>)

- Organizations will need to analyze and, if necessary, make changes in their Management system
- Effective implementation must be verified and documented from the organization before starting external audits (e.g., with internal audits, action plans, etc.)
- Training for customers' internal auditors should be started



(Source: <http://iatfglobaloversight.org>)

- First transition audits may be conducted **February 2017 – March 2017**, if the organization and 3rd party auditors are prepared
- Last possible audit date should be **May 2018** due to the NC management, certification decision process and creation of new certificates



(Source: <http://iatfglobaloversight.org>)



The transition audit has to be completed instead of a normal cycle audit:

- In case of a planned Surveillance Audit:
 - The audit must be conducted -3 / +1 month of the due date
 - In case of failure to meet this requirement, de-certification process is initiated
- In case of a planned Recertification Audit:
 - The audit must be conducted -3 / +0 months of due date
 - In case of failure to meet this requirement transition audit must be performed as complete new initial certification.
- The date is the last audit day from the last certification or re-certification audit.

Each transition audit has to be calculated with repeat audit days

In addition a minimum of 0.5 audit days shall be added for:

- Documentation review days should be added on-site for review prior to the transition audit prior to the transition audit
- Documentation review shall include at a minimum a review of the client's Quality management system documentation including evidence about conformity to IATF 16949
- In case of remote supporting functions additional information required
- Documentation review can be conducted either off-site or on-site
- If required documentation is not submitted to the auditor for off-site review then 0.5 days should be added on-site for review prior to the transition audit

A new certificate will be issued latest on September 14, 2018 with a three year validity minus 1 day



Later this month, the International Automotive Task Force (IATF) is expected to publish IATF 16949, the standard for automotive quality management system. In this article, we'll provide some background on the origins of this important industry standard, summarize the key changes from its predecessor, ISO/TS 16949, and offer some guidance on achieving certification to the requirements of the new standard.



Monitoring of safety-related parts and accessories

Traceability of products according to applicable standards

Requirements for products with embedded software

Warranty management process

Clarification of requirements for sub-tier supplier management and development

Requirements concerning corporate responsibility



Rework of terms and definition to have better clarification and definition

- Clear definition and difference between outsourced process and remote location
- Inclusion of definition from Customer Specific Requirements (CSR) to define that CSR and “supplemental requirements to this Automotive QMS standard” and not “technical” requirements



Implementation of the context of the organization as performance targets for the QMS

- Review of interested parties* and their requirements shall be considered in the setting annual performance targets in the organization
- Supporting functions (on-site or remote) must be clearly defined in the scope of the QMS
- Outsourced processes shall be included in QMS



A product safety part as required out of the CSR of VW

- Documented process for the management of product safety
- Special training for personnel involved in this process
- Identification of statutory and regulatory product-safety requirements
- Identification and control of product-safety characteristics
- Special approvals from organization's customers can be necessary
- Transfer of product-safety requirements to sub-tier suppliers



Risk analysis and contingency plans

- Risks and preventive actions must be addressed for each process of the organization (e.g. as part of the process analysis)
- Continual risk analysis should include a minimum of potential and actual recalls, field complaints, scrap and rework
- For manufacturing processes and infrastructure contingency plans shall be defined with periodical tests for effectiveness, review and updates
- Contingency plans shall include notification to customers, re-start of production and production stop procedure, also in cases where the procedure was not followed



Overhauling of the requirements for suppliers and for the supply chain

- Detailed supplier selection process criteria, what criteria must be considered for selection of new suppliers including risk and history of performance
- Specific requirements for suppliers of software with software quality insurance system (i.e., SPICE)
- Supplier QMS to comply with IATF 16949 or periodic second-party audits are required
- Definition of second party audit process



Internal Audits

- Requirements for using specific tools for process and product audits in case of customer requirement does not exist (e.g. VDA 6.3, AIAG CQI-x, VDA 6.5 for product audits, etc.)
- Internal auditor qualifications includes customer specific requirements from different OEMs and request to have more evidences of knowledge and training for core tools, customer requirements, etc.
- Maintenance of internal auditors' qualifications shall be defined (e.g. evaluation of audit results, execution of minimum number of audits per year, auditor development)



Management Review

- More input and review required from Management
 - Addressing risks
 - Process effectiveness and efficiency
 - Product conformance
 - Warranty conformance
 - Review of customer scorecards
 - Potential field failures through FMEA analysis
- Management review output shall include and action plan when customer requirements are not met



Additional requirements for auditing “embedded software” in products

- Requirements for products with embedded software will be included in many chapters of IATF 16949 beginning with the scope of IATF 16949 including those products
- Requirements included for Product and Process design
- Requirements broken down to suppliers of the organization
- Consideration of interaction of embedded software with the product in case of customer complaints



Transition audits can only be conducted by auditors who have demonstrated competence to audit against IATF 16949 requirements

“Competence” is demonstrated by achieving grades of 80% or better on tests on IATF 16949 and IATF Rules

Current active auditors must pass applicable tests by June 30, 2017, or risk deactivation

Audit team requirements are likely to delay or even disqualify some current certification bodies from conducting transition auditseactivation

The transition audit is the principle mechanism for organizations currently certified to ISO/TS 16949 to become certified to IATF 16949

Transition audits must be conducted within the established audit cycle for the existing certification:

- If the next regularly scheduled audit is an annual surveillance audit, the transition audit must be conducted between 3 months before and 1 month after the date of the annual surveillance audit
- If the next regularly scheduled audit is a recertification audit, the transition audit must be conducted between 3 months before and not later than the date of the recertification audit

Failure to conduct the transition audit consistent with these scheduling requirements will require the organization to undertake an initial certification audit



The transition audit is of the same duration as a recertification audit

The transition audit is a full systems audit equivalent to a recertification audit

An off-site documentation review will be conducted prior to the transition audit

A review of all supporting functions on site or remote is included

Any identified non-conformities must be satisfactorily addressed within 60 days of the transition audit



Changing certification bodies at the time of a transition audit is not permitted

Organizations seeking to change certification bodies must do so in 2017 under the terms of ISO/TS 16949:2009

Those organizations must then conduct a transition audit prior to September 2018



- IATF is not expected to publish its rules for certification to the new standard until later this year. Because of the time and effort required to evaluate the impact of the necessary changes resulting from the new standard as well as the certification rules, we anticipate that March 2017 is likely to be the earliest point at which current ISO/TS 16949-certified organizations will be able to commence with their transition audits.
- Organizations that are not currently certified to ISO/TS 16949 may theoretically seek certification with the requirements of ISO/TS 16949 until October 1, 2017. However, this route is not advisable since such certifications will be valid only until September 14, 2018, at which point certification to the requirements of IATF 16949 will be required.
- All supporting functions on site or remote shall be included in the transition process in line with the current ISO/TS 16949:2009 audit cycle and shall be included at the transition audit.

Organizations seeking initial certification can be certified to ISO/TS 16949:2009 until October 1, 2017; such certification are valid only until September 14, 2018

After October 1, 2017, organizations can only be audited and certified to IATF 16949

Number of audit days required for initial certification to IATF 16949 may be reduced for:

- Organizations currently certified to ISO 9001
- Organizations currently certified to ISO 9001 and VDA 6.1
- Organizations with a valid Letter of Conformance to ISO/TS 16949
- Organizations whose certification to ISO/TS 16949 was withdrawn due to failure to meet transition audit timelines



Audits—TÜV SÜD is an official IATF Certification Body, and is approved to conduct both transition and initial audits to IATF 16949

Certification—Organizations that successfully complete IATF 16949 audits are granted certification registered with the IATF

Recognition—Certified organizations are entered into the IATF database, helping to inform automotive OEMs that your company holds a valid IATF 16949 certification



Please submit questions to
info@tuvam.com
Or call (800) TUV-0123

Visit www.tuv-sud-america.com/IATF16949
for more information



Karleen Bacoccini is a TÜV SÜD America Auditor with over 38 years' experience in Quality Management with an extensive background in Program Management, Supplier Quality Development, and ISO/TS 16949:2009. She has an additional background in quality and manufacturing consulting, excellent leadership, organization and problem solving skills with expertise in quality, modern manufacturing techniques and manpower planning.

- **38 Years of Business Experience Include:**

- Strong application of stamping, welding, and assembly operations
- SQE – supplier development of APQP, PPAP, MSA, SPC, DFMEA, PFMEA including die and gauging design and development
- Development of Control Plans, FMEA's, Process Flow's, Work Instructions, Quality Procedures and Manuals, performing Gage R&R, Linearity and Stability Studies, application of GD&T
- TS16949 RABQSA Lead Auditor
- Development of internal TS16949 internal audit teams
- PPAP submissions – all 5 levels in accordance to AIAG
- Performing Supplier Quality Audits
- Conducting Technical Reviews and Pre-Awards with suppliers
- Launching of new programs and development of new suppliers
- Ford Team Oriented Problem Solving
- Program Manager for all new parts and customer's. Launched Dana program of 28 parts, dies and gauges, 48 for Copeland that consisted of the transfer of all dies and gauging.

THANK YOU

