QIT Consulting, Inc.

Supply Chain Management System

for complete Supply Chain and Supplier Management

Program Introduction

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QIT Consulting and Our Clients

QIT Consulting, Inc.

- We are a Software Design Company with 20+ years experience in:
  - Quality Software Designs
  - Supplier Management and Outsourcing Software
  - On-site Business Improvement Consulting and Program Training
- WHQ is in Norwalk Connecticut USA (30 miles north of New York City)
  - Email: sales@qitconsulting.com
  - Website: Http://www.QITConsulting.com
  - Sales: (203) 663-0528

QIT's Client-base

- Automotive
- Manufacturing
- Aviation Industry
- Medical Device
- Government
- Service
- Engineering
- OEM/ODM
- IT Service
- Transportation

- Chemical
- Hospital and Clinic
- Military and Defense
- Electronic
- Injection Molding
- Cosmetic Products
- Non-profit
- and many more

Some of Our Clients

GE

Belkin Cop.
Computer Accessories

Citrix
IT

Orion Registrar
ISO Registrar

Means Industries
Auto Parts Supplier

CMC/CLA
Auto Parts Supplier

Probiotec
Bio Tech

Alphawest
IT Service

MillerCoors

Some of our Clients cont'

U.S. Surgical

A Division of Tyco

Medical Devices

MedBen®

MedBen

Health Care

Riley MEDICAL

Riley

Medical Devices

PRESIDENTIAL AIRWAYS

Presidential Airways

Aviation

EXECUTIVE JET MANAGEMENT — A NETJETS COMPANY

Executive Jet

Aviation

Virgin america

Virgin America

Aviation

FLIR SYSTEMS™

FLIR System

Defense

CANBERRA FERTILITY CENTRE

Canberra Fertility Center

Hospital

vmi

Vantage Mobility

For more details please visit http://www.qitconsulting.com/Clients.htm

QIT Supply Chain Management System

- Challenges Customers are Facing

- What is QIT Supply Chain Management System

- Key Benefits

- System Flow

Challenges Customers are Facing

- **Top Management**
  - Needs a platform to consolidate Cost, PO status, supplier cost and on-time performance, key issues and complaints
  - Difficult to coordinate sales offices, Production , QC and suppliers
- **IT Department**
  - Hard to consolidate data from various ERP systems and maintain data integrity
  - Current ERP system is not flexible and costly to make customized reports and queries

- **Supply Chain**
  - Difficult to update PO status for thousands of POs
  - Difficult to track actual shipment QTY and shipping dates
  - Key information/documents are stored in personal computers; and the information is not shared
- **Quality Management**
  - Difficult to schedule inspection with suppliers
  - Preparing Inspection Reports is time consuming
  - Too much paperwork
  - Complying with various standards
  - Difficult to prepare Supplier Score Card

What is QIT SCM

- It is a platform that contains 10 standard modules
  - PO Management – Manage POs from PO initiating to payment complete
  - Inspection – incoming inspections, supplier lot inspection, on-time delivery, Supplier PPM, cost and etc.
  - SCAR – utilize CAR to track resolutions for supplier issues and help supplier establish a formalized root cause analysis system
  - Supplier Scorecard – report supplier quality, cost, on-time rate and etc.
  - Audit – for supplier assessment and audit
  - Project Management – for new product development projects/ APQP/PPAP and etc.
  - Engineering Change – engineering change or product change from suppliers
  - Complaints – customer complaints management
  - Document Control – online document control for internal users and suppliers
  - Training – online training management for internal users and supplier
- Each module can be used as a standalone program or configured with other modules to create a complete system
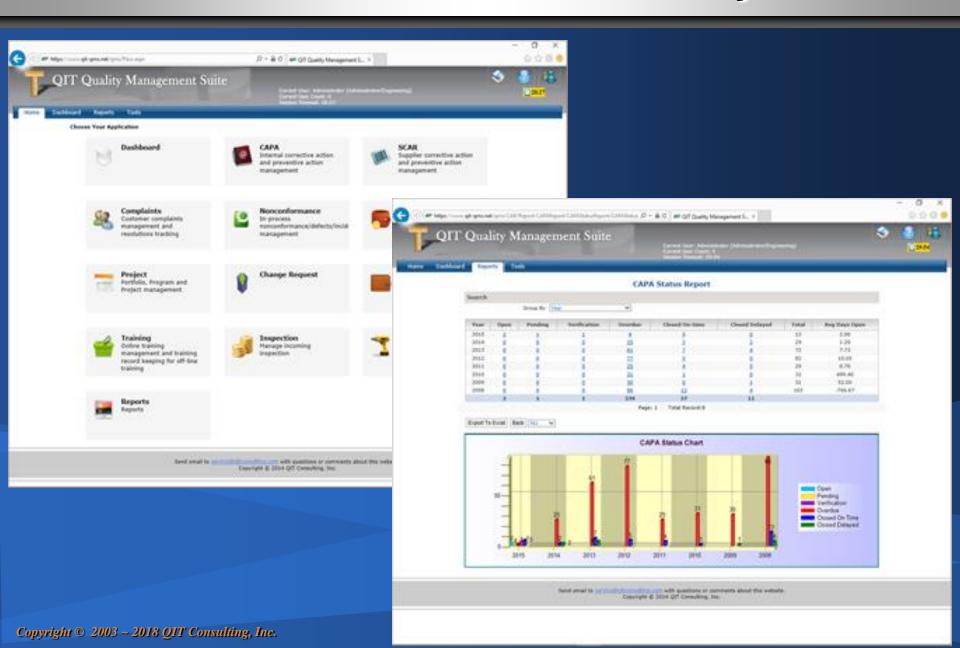
Program Summary

- It is everything you need to establish your Next Generation Global Supply Chain Management System
  - PO management and status follow-up
  - Lot/Shipment Inspections
  - Supplier Scorecard
  - Supplier Audit and Assessment
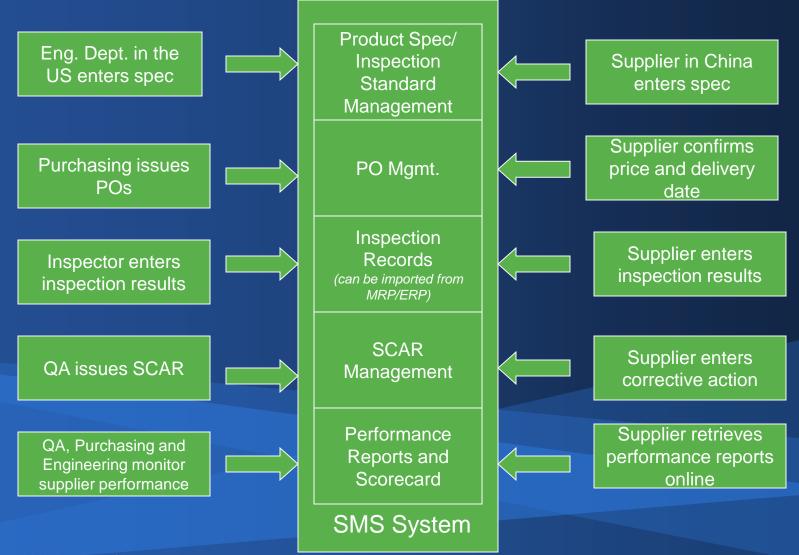 - Supplier PPM Reports and Supplier On-time Delivery
- It is the ideal solution for
  - Managing supply Chain in the global scale
  - Tracking incoming lot inspection data, on-time delivery and supplier PPM performance
  - Establishing 8D corrective action process with integrated 4W1H and 5-Why root cause analysis for your suppliers
  - Reducing operational costs, costs of poor quality, and non-value added administrative costs
  - Providing flexible and dynamic supplier performance reports, analysis and trending
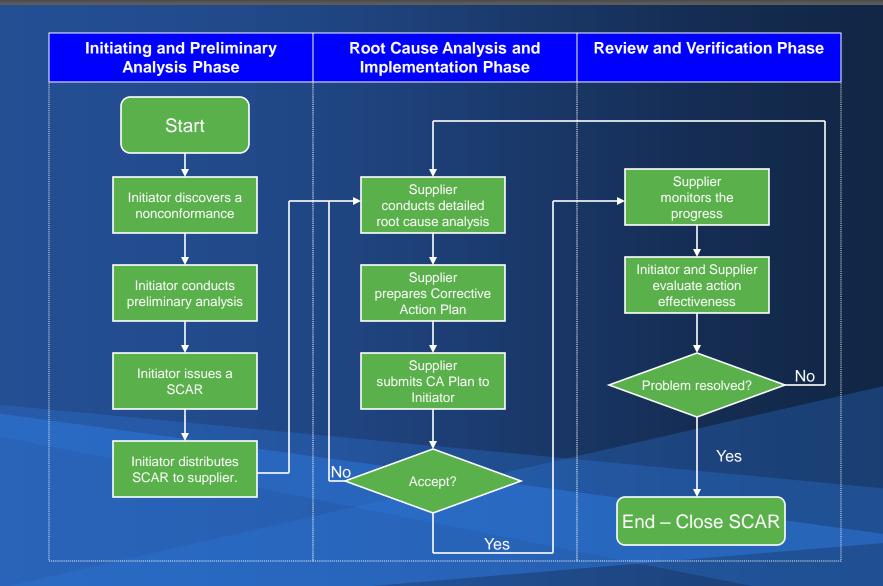
Next Generation Web-based System

System Flow

SCAR Process

Initiating and Preliminary Analysis Phase

Root Cause Analysis and Implementation Phase

Review and Verification Phase

Start

Initiator discovers a nonconformance

Initiator conducts preliminary analysis

Initiator issues a SCAR

Initiator distributes SCAR to supplier.

Supplier conducts detailed root cause analysis

Supplier prepares Corrective Action Plan

Supplier submits CA Plan to Initiator

Accept? — No / Yes

Supplier monitors the progress

Initiator and Supplier evaluate action effectiveness

Problem resolved? — No / Yes

End – Close SCAR

Key Benefits

- Sharing Production and Supplier Information from around the world
  - Storing PO, inspection standards, lot inspection records and supplier performance data in a web-based database
  - Sharing PO status with users from around the world
  - Collaborating suppliers, departments, and divisions in real-time basis
- Improve Productivity
  - Entering data once and seamlessly sharing it with suppliers or internal users
  - Improving productivity by 80%, reducing operating cost by 24% in the first year and 72% thereafter
  - Moving from manual/Excel/Access system a fully automated system
- Quickly define key issues and get a complete view of your supplier performance
  - Storing and organizing supplier performance data and reports in one place, and share them with users and suppliers from around the world
  - Providing supplier performance insights and trending from drill-down reports
  - Instantly discovering supplier issues and resolving them by using built-in SCAR management system

Case Study

- Viva International is a manufacturer of high-quality, fashion eyewear luxury brands like GANT, GUESS and etc.

- WHQ is in the US and other six direct sales offices in United Kingdom, France, Brazil, Canada, Japan and Hong Kong

- Hong Kong Office handles all POs from around the world

Project Overview

- Project Timeline
    - June 2011 - initial contact
    - July 2011 - meeting with Production Control and QC in HK
    - August 2011 - QIT provided a proposal with an optimized workflow
    - Sept. 2011 - Second meeting was held on WHQ to discus contract details
    - Nov. 2011 - First Beta
    - Dec. 2011 - Pilot Run
    - Jan. 2012 - Production Run

- Guiding Principle
    - A web-based solution
    - The solution should be based on Viva's business process and with optimizations
    - Can process massive PO data
    - A Supplier Scorecard system and a SCAR system
    - To reduce cost, the program will be built upon QIT's standard Supplier Management System
    - On-going program support and improvement

Project Outcomes & Key Benefits

- WHQ
  - Effectively global supplier performance monitoring
  - All PO data and documents are store in a centralized platform
  - Improved on-time delivery
  - A customized system that reserved unique business process

- IT
  - Consolidated data from various ERP/MRP systems
  - Improved data integrity
  - Kept program development cost and program maintenance cost under budget

- HK Production
  - An optimized PO workflow
  - A clear and actuate picture of PO status and Shipment QTY for thousands of POs
  - Reduced non-value data entering and paperwork
  - Improved supplier on-time delivery through effective communication

- HK QC
  - Reduced report preparation time from weeks to just few minutes
  - Better inspection workload and quality data management
  - Imposed formalized root cause analysis and COPQ analysis to suppliers

Bottom-line: improved productivity by effective data sharing
reduced cost by closely monitoring & automation

A Future System for You

- To improve productivity, our consultants will work with your team to streamline your PO Management process and then we will tailor our program for you
  - Optimized PO Management process
  - Eliminating unnecessary data entry and paperwork
  - Real-time status reports on POs
- To reduce Quality Cost, we will work with your QA team and then tailor our forms to yours
  - Effective inspection data collecting and analyzing
  - Professional CAPA and SCAR Process to track resolutions
  - Formalized Root Cause Analysis process for suppliers
  - Reports and statistics on supplier Quality Cost, On-time Delivery rate, PPM and etc.

We Have Been There, Done That!

Flexible Pricing and Implementation

- QIT offers flexible pricing structure to fit customers' needs
  - SaaS Pricing
    - Customer pays a monthly fee to use the program
    - Opt-out at any time by stopping the payment
    - Lower the upfront investment and minimize the project risk
  - Traditional Buying
    - Customer buys the program upfront and owns the program
    - Customer can host the program at its own server
    - Higher upfront investment
- Starting from small project then evolving to a complete QMS and SCM solution to reduce project risk
    - Normally our customers start from CAPA and SCAR module
    - Once they have more experiences they will add PO Management, Project and other modules

Why QIT

- We are a business improvement and quality assurance expert that focuses on driving process improvement, data analysis and problem solving

- Our software utilizes advanced process improvement and quality assurance tools to help you improve productivity and reduce cost

- Our software incorporates best practices from other businesses

- It simply works! Our software packages have been used by companies e.g. GE, Citrix, Miller Coors, Belkin and Tyco, from Manufacturing, IT, OEM, Service, Food and Drug, Electronic, Aviation and other business sectors.

- Cost-effective, Quick Turnaround, Customizable and Scalable

QIT's Programs

- QIT Quality Management System (QMS)
- QIT Customer Relationship Management (CRM)
- QIT Supply Chain Management (SCM)
- QIT Aviation Safety Management System (SMS)