

IAOB Clarification of the Impact of Customer Special Status Conditions

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Ford Motor Company and General Motors Corporation issue special statuses to organizations with repeated poor performance.

1. Ford Motor Company: Q1 Revocation status

Ford Customer Specific Requirement 4.38 *Customer Satisfaction* (ISO/TS 16949:2009 cl. 8.2.1.1, 5.2).

The status of Q1 Revocation is achieved through a formal action of Ford, after investigating an unacceptable (less than 800 points) score in the Q1 system. It is posted on the Ford SIM report.

An organization certified to ISO/TS 16949:2009 that is placed in Q1 Revocation status has a major nonconformance to ISO/TS 16949:2009, clause 8.2.1.1, "...customer notifications related to quality or delivery issues" and clause 5.2, "Top management shall ensure that customer requirements are determined and are met with the aim of enhancing customer satisfaction."

The certificate shall be suspended, the date of suspension to be the date the client advises the certification body of the special status condition. The certification body shall follow the timing requirements outlined in *Rules for achieving IATF recognition*, [8.0 Certificate decertification process](#) for the decision to reinstate or withdraw the certificate.

An organization seeking certification to ISO/TS 16949:2009 that is in Q1 Revocation status has a major nonconformance to ISO/TS 16949:2009, clause 8.2.1.1, "...customer notifications related to quality or delivery issues." The Readiness review (see *Rules*, [6.5 Stage 1 Readiness review activities](#)) shall judge such an organization "not ready" to proceed to the stage 2 audit and the stage 2 audit shall not be conducted until either:

- a. the status of Q1 Revocation is removed, or
- b. the organization provides verifiable confirmation from Ford STA to the certification body that Ford permits the stage 2 audit.

If an organization seeking certification to ISO/TS 16949:2009 is in Q1 Revocation status because it is not compliant to "Capable Systems" in the Q1 scoring, and that is because it is not ISO/TS 16949:2009 certified; then the certification body shall judge the organization "ready to proceed" to the stage 2 audit upon verifiable confirmation from Ford STA to the certification body that the only reason the organization is not Q1 is that it does not have a compliant quality management system.

2. General Motors Corporation: New Business Hold - Quality status

General Motors Customer Specific Requirement - 4.2.8 *Certification Body Notification and Certification Status* – “New Business Hold – Quality”

The status of New Business Hold – Quality is established through a formal communication from General Motors. It requires actions by the organization to improve their performance before it can be removed.

An organization certified to ISO/TS 16949:2009 that is placed in New Business Hold - Quality status has a major nonconformance to ISO/TS 16949:2009, clause 8.2.1.1, “...customer notifications related to quality or delivery issues.”

The certificate shall be suspended, the date of suspension to be the date the client advises the certification body of the special status condition. The certification body shall follow the timing requirements outlined in General Motors Customer Specific Requirement 4.2.8, that supplements *Rules for achieving IATF recognition*, [8.0 Certificate decertification process](#), for the decision to reinstate or withdraw the certificate.

[Also see additional requirements in the GM Customer Specific Requirements – 4.2.8 note 3 for how to handle organizations placed on NBH status after a recertification audit, but before the certification decision is made.](#)

An organization seeking certification to ISO/TS 16949:2009 that is in New Business Hold - Quality status has a major nonconformance to ISO/TS 16949:2009, clause 8.2.1.1., “...customer notifications related to quality or delivery issues.” The Readiness Review (see *Rules*, [6.5 Stage 1 Readiness review activities](#)) shall judge such an organization to have “insufficient readiness to conduct the initial audit” (the audit shall not be conducted) until either:

- a. the status of New Business Hold - Quality is removed, or
- b. the organization provides verifiable confirmation from General Motors to the certification body that General Motors permits the initial audit.

Controlled Shipping Level II (CSII)

The status of Controlled Shipping Level II is a performance indicator of the organization’s product realization problems and is part-specific. The organization is notified of the special status condition through a formal communication from General Motors. General Motors requires actions by the organization to improve their performance before the [status](#) can be removed.

An organization certified to ISO/TS 16949:2009 that is placed in Controlled Shipping Level II status has a major nonconformance to ISO/TS 16949:2009, clause 8.2.1.1., “...customer notifications related to quality or delivery issues.”

The certification body shall issue a major nonconformance against the organization. The major nonconformance shall be closed within 90 days in accord with the requirements of the *Rules for achieving IATF recognition* [5.11 Nonconformity Management](#) and the General Motors Customer Specific Requirements.

Also see additional requirements in *GM Customer Specific Requirements – 4.2.8 note 3* for how to handle organizations placed on CS II status after a recertification audit, but before the certification decision is made.

Failure to close the major nonconformance by the organization shall result in the certification body suspending the certificate. The certification body shall follow the timing requirements outlined in *Rules for achieving IATF recognition*, [8.0 Certificate decertification process](#) for the decision to reinstate or withdraw the certificate.

An organization seeking certification to ISO/TS 16949:2009 that is in Controlled Shipping Level II status has a major nonconformance to ISO/TS 16949:2009, clause 8.2.1.1., “...customer notifications related to quality or delivery issues.” The Readiness Review (see *Rules*, [6.5 Stage 1 Readiness review activities](#)) shall judge such an organization “ready” to proceed to stage 2 audit. A major nonconformance shall be issued during the initial stage 2 audit.

The major nonconformance shall be closed within 90 days in accord with the requirements of the *Rules for achieving IATF recognition* [5.11 Nonconformity Management](#) and the General Motors Customer Specific Requirements. A certificate shall **not** be issued until either:

- a. the status of Controlled Shipping Level II is removed, or
- b. the organization provides verifiable confirmation from General Motors to the certification body that General Motors concurs with the issuance of an ISO/TS 16949:2009 certificate.

Should the status of Controlled Shipping Level II not be removed within the 90 days, the audit performed shall not be counted toward certification for ISO/TS 16949:2009 and the organization shall start with another initial certification audit ([stage 1 readiness review and stage 2 audit - see Rules for achieving IATF recognition, 6.4 Initial Audit](#)).

Controlled Shipping Level I (CSI)

The status of Controlled Shipping Level I is a performance indicator of the organization’s product realization problems and is part-specific. The organization is notified of the special status condition through a formal communication from General Motors. General Motors requires actions by the organization to improve their performance before the status can be removed.

An organization certified to ISO/TS 16949:2009 that is placed in Controlled Shipping Level I status has a nonconformance to ISO/TS 16949:2009, clause 8.2.1.1., “...customer notifications related to quality or delivery issues.”

The certification body shall issue a minor nonconformance against the organization. The minor nonconformance shall be closed in accord with the requirements of the General Motors letter imposing the Controlled Shipping Level I status. The certification body should verify the corrective actions taken by the organization at the next regular audit.

An organization seeking certification to ISO/TS 16949:2009 that is in Controlled Shipping Level I status has a nonconformance to ISO/TS 16949:2009, clause 8.2.1.1, "...customer notifications related to quality or delivery issues." The Readiness review (see *Rules*, 6.5 Stage 1 Readiness review activities) shall judge such an organization "ready" to proceed to stage 2 audit. A minor nonconformance shall be issued during the stage 2 audit.

The minor nonconformance shall be closed in accord with the requirements of the General Motors letter imposing the Controlled Shipping Level I status. A certificate shall **not** be issued until either:

- a. the status of Controlled Shipping Level I is removed, or
- b. the organization provides verifiable confirmation from General Motors to the certification body that General Motors accepts the actions being taken by the organization.

The certification body should verify the corrective actions taken by the organization at the next regular audit.