



# PROCESS QUALITY ASSOCIATES INC.

"We Engineer the Quality of Your Success"

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## REPEAT LABEL PROBLEM

### **CLIENT'S SITUATION**

A Tier 1 automotive manufacturer was having a number of similar labeling errors that have escaped their internal controls (defect rate of 11,000 ppm internally) with some reaching the customer (about 46 ppm). In spite of numerous process reviews, customer complaints, counter measures and management involvement over a 4 year period, the defects and defect rates remained unchanged. The defects were estimated to be costing the supply chain between 1.0 million to 4 million annually.

An OEM automotive customer requested that the manufacturer perform a detailed review of the labeling issues with the assistance of an outside consultant.

### **PQA'S TASK**

To facilitate the automotive manufacturers' personnel through a detailed analysis of the current labeling system and make recommendations to improve it.

### **PQA'S ACTION**

Before going on-site to the manufacturer, one of PQA's Senior Consultants reviewed the current procedures, documentation and forms associated with the current labeling system. Several problems were discovered immediately.

Upon PQA's arrival at the manufacturer, PQA provided a proposed agenda and time schedule that was reviewed, discussed, and agreed upon by the group. A Core Team was selected to work with PQA. PQA's suggestion & mandate of detailed root cause analysis and recommending actions within 6 business days was accepted.

PQA lead the Core Team through PQA's Hybrid Problem Solving form, PQA's People Problem Analysis and the Ishikawa Fish Bone diagram. Based on the work performed by PQA and the Core Team, they formulated 3 different hypotheses as to the root cause of the labeling issues.

Based on the data collected in the above, PQA provided a detailed report on how the automotive manufacturer can solve the labeling problem.

### **CLIENT'S RESULTS**

The Client is currently in discussions with their customer regarding PQA's recommended results to help solve the labeling problem. PQA has detailed a specific methodology for improving the current situation through process changes, obtaining full compliance to the defined process, and reducing the workers frustrations.