

# MBUSI Service Parts

## Supplier Guide

### Lifecycle Management/Parts Technical



Mercedes-Benz

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**Failure to comply with the MBUSI Service Parts Supplier Guide could result in damages under the Master Terms Direct Purchasing**

## Document History

<b>Version Number</b>	<b>Author</b>	<b>Location of Change(s)</b>	<b>Summary of Changes</b>	<b>Date</b>
Version 1	CBARGER		Final Draft Version	5/1/2022



## Introduction:

### Lifecycle Management topics include:

- **End of Production-** Date of last use of part in Production
- **End of Life-** 15 years after End of Production
- **Final/Lifetime Buy-** A PO issued for the purpose of covering all forecasted demand for the remainder of the life of the part with the full demand shipped to MBUSI Service Parts.
- **All-Time Buy (Fab and Hold)-** Forecasted demand for the remainder of the part where as supplier maintains inventory, shipping per MBUSI Service Parts' call-offs.
- **Bridge Buy-** Bank build/safety stock orders placed to fulfill demand over a designated amount of time for a given reason- such as a supplier relocation
- **Supplier Relocations (Tier 1 and Tier N)-** Site of part or component production changes
- **Tool Moves (Relocations)-** Relocating tools within Supplier network
- **Tool Scrap-** Post End of Life of part(s) and all Final Buy quantities fulfilled, Supplier can make a formal request to their MB Buyer to scrap tooling.
- **Insolvencies-** Bankruptcies, Supplier closings

## Contact Information:

Please contact your responsible buyer with Mercedes-Benz Purchasing with requests for any of the aforementioned Lifecycle Management Topics. **In parallel**, please inform your MBUSI Service Parts Supplier Management Contact. If the Mercedes-Benz purchasing contact is unknown, please contact your internal sales representative for more information.

For questions related to any of the Parts Technical topics listed below, please contact your MBUSI Service Parts Supplier Management Contact.

## Content:

**\*The Pursuit of any Lifecycle Topic does not absolve the supplier from fulfilling normal contractual obligations\***

The request to the purchasing buyer and the Supplier Management Contact must be made at least three months prior to the intended change to allow sufficient processing time. This initial request will start the appropriate workflow.

After the workflow is initiated, a member of the MBUSI Service Parts Inventory Team will contact the supplier and discuss further detail of this request. No relocation or tool move can be done without a general agreement between Mercedes-Benz Purchasing and MBUSI Service Parts, in order to prevent any bottleneck situations.



### 1) Relocation Requests:

- a. Any request for a supplier relocation must be approved by Mercedes-Benz Purchasing and verified by the MBUSI Service Parts contact before any relocation takes place. At the time the initial request is placed, including the desired timing of the relocation, an assessment of the supplier's current status (backlog, current, planned orders) will be completed. Included will be a forecast to consider any Lifetime Buy or Bridge Buy (bank build) requirements.
  - i. Note: Lifetime Buys and Bridge Buys are designed to serve as a safety stock. Any PO's placed for these reasons will be in addition to existing backorder quantities.
- b. Based on this assessment, and the part mix of the supplier, Mercedes-Benz reserves the right to deny a relocation request until all Backlog, Bridge Buy, and Lifetime Buy obligations are fulfilled, or if a risk to the supply chain is apparent.
- c. Failure to obtain permission, and the terms of which a relocation will be accepted, from Mercedes-Benz contacts prior to relocating can result in the implementation of supplier remediation processes (Q-HELP).

### 2) Lifetime Buy:

- a. Aside from relocation, a Lifetime Buy can also be requested in the case that a product is near the end of its life.
  - i. For any Lifetime Buy requests please contact the Service Parts Supplier Management Contact to determine feasibility.
    - 1. Mercedes-Benz personnel reserve the right to deny Lifetime Buy requests depending on forecasted demand and/or space restrictions.

### 3) Tool Moves and/or Tool Scrap:

- a. The supplier is responsible to notify both Mercedes-Benz Purchasing and the Service Parts Supplier Contact in the timeframe referenced above prior to any relocation of a tool used to produce Mercedes product, whether the tool is owned by the Tier-1 or Mercedes-Benz.
  - i. This includes any movement of a tool for storage purposes.
  - ii. Movement of a tool, in the case of outsourcing production or change in a Tier-N, to an international supplier could result in Country of Origin change, which would require additional services/changes for the impacted part numbers.
- b. In the case that at EOP, the series Tier-1 will no longer be responsible for Service Parts production, and the new supplier already has the necessary tooling to produce the parts, the former Tier-1 supplier is responsible for reaching out to the Service-Parts Supplier Contact to inquire about Tool Scrapping potential.
- c. The supplier should have a complete list of Mercedes-Benz-owned tools, including asset number/part number/tool quantity/ and physical location of tool, readily available at all times upon request.

**NOTE: In each instance, Tool Moves and/or Tool Scrap, a Final Buy, or a Bridge Buy may still be required.**



## Parts Technical

### Introduction:

The Parts Technical group for MBUSI Service Parts serves as the general liaison between Mercedes-Benz Development and the Mercedes-Benz Global Service Parts technical group in Germany. This group works on current and past model parts with supplier-related issues, such as parts needing technical clarification from one of the items listed below.

For any of the technical changes listed below, the MBUSI Service Parts Supplier Management Contact should be notified at least 3 months in advance to avoid any supply chain disruptions. In the case where the party requesting the change (if not the supplier) does not provide 3 months' notice to the supplier, suppliers must immediately contact their Supplier Management Contact upon receiving the request.

1. Part Number Change
2. Part Level Change
3. Identification of Past Model Part Numbers.
  - a. Creation of unique past model part numbers at SOP and EOP??
4. Implementation of Part Number Supersessions
5. Implementation of Part Number Color Codes
6. Changes to existing Color Codes
7. Sub-component availability or changes
8. Any other technical issue / problems jeopardizing Service Parts' on-time delivery performance and future deliveries

