



IDEAS PROGRAM

DRIVING INNOVATION
EST. 1967

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Idea's Drive Excellence, Advancement & Savings

WHY-

The purpose of the TEAM IDEAS program is to encourage supplier-initiated cost reduction and improvement suggestions for the goal of creating value, by maintaining competitive advantage and success in the global market. Our marketplaces demand enhanced quality, the elimination of waste, lower costs, and continuous improvement. IDEAS help create an environment that promotes open communication and mutual benefit among TEAM, its suppliers, and its customers.

Cost reduction and improvement IDEAS should be generated in all areas including, but not limited to:

<ul style="list-style-type: none"> · Product Design <ul style="list-style-type: none"> o Content o Design o Materials o New Technology o Reliability o Recyclability o Optimization of Validation or Test Requirements 	<ul style="list-style-type: none"> · Manufacturing Improvements <ul style="list-style-type: none"> o Cycle-time Reductions o Inventory Reductions o Process Improvement o Volume Efficiencies o Tooling
<ul style="list-style-type: none"> · Business and Administrative Improvements <ul style="list-style-type: none"> o Payment Terms o Communication o TEAM Administrative Practices o Complexity Reduction 	<ul style="list-style-type: none"> · Logistics <ul style="list-style-type: none"> o In Bound/Out Bound Freight o JIT Delivery o Packaging o Re-Usable Containers
<ul style="list-style-type: none"> · Sourcing Strategies <ul style="list-style-type: none"> o Integrated Supply Base o Supplier Optimization 	<ul style="list-style-type: none"> · Quality <ul style="list-style-type: none"> o Warranty o Other Cost of Quality o Local Quantity Initiatives

WHO-

TEAM Management is committed to supporting this program within our organization and will dedicate professional resources from several disciplines:

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| <ul style="list-style-type: none"> · Purchasing · Product/Design Engineering · Manufacturing Engineering · Finance · Quality | <ul style="list-style-type: none"> · Materials Management/Logistics · Human Resources · Manufacturing Operations · Marketing/Sales |
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This program requires the same commitment from our suppliers' organizations.



HOW-

Present a new proposal every time you see your Buyer/Commodity Manager.

- Use continuous improvement techniques
- Use benchmarking
- Act on IDEAS

PROCEDURE-

Below is a typical sequence of events for the submission and approval of IDEAS.

1. Supplier documents proposals for improvement and cost reduction to TEAM using IDEAS Form F-1085. The form is to be submitted to TEAM Purchasing (Buyer/Commodity Manager). The purchasing function champions the supplier's proposals.
2. TEAM Purchasing (Buyer/Commodity Manager) assigns an IDEAS control number and logs the proposal into the TEAM database.
3. TEAM Purchasing (Buyer/Commodity Manager) works with the appropriate personnel and evaluates the IDEAS.
4. After the evaluation process is completed, a recommendation is made to accept, modify, or reject the proposal.
5. If the recommendation is to accept the proposal, purchasing reviews with the appropriate person to determine if customer approval/notification is required. IF required, Sales/Engineering obtains customer approval.
6. Purchasing communicates decision to the supplier. Implementation timing and validation plan is agreed upon.
7. Documentation, validation, and implementation are executed accordingly.
8. Credit is given when IDEAS are approved and implemented. Credit for cost savings will appear on your Supplier Performance Report.

PURCHASING/COMMODITY MANAGER ROLE-

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| • Champion supplier proposals within TEAM | • Review performance against objectives |
| • Track performance | • Resolve open issues |
| • Conduct regular meetings with supplier | • Coordinate cross-functional activities |
| • Review status of open proposals | |

SUPPLIER'S ROLE-

- Champion your IDEAS
- Initiate proposals and IDEAS for improvement
- Develop action plan to accomplish IDEAS
- Provide appropriate documentation, such as preliminary drawings and testing.
- Review with appropriate TEAM Personnel
- Review progress with TEAM Purchasing on a regular basis

With its suppliers, TEAM will continually build and improve relationships, innovate products, eliminate waste, enhance quality, reduce cycle times, reduce costs, and embrace continuous improvement for the creation of value, with trust in one another.