

(This newsletter is being sent to BAE Systems, Electronic Systems Suppliers)



In 2025, we will continue building proactive and collaborative relationships with our suppliers and instituting trusted, real-time analytics and tools that are standard in our industry. You'll see more details on these and other ways we're working to protect and innovate for our customers throughout this newsletter. Visit the [Electronic Systems Supplier Center](#) for the latest supplier information.



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First Pass Yield (FPY) Improvements on First Article Inspections (FAI)

Reducing schedule delays and costly rework starts with strong first-time quality on FAI submissions. To support higher first pass yield rates, review the most common FAI documentation defects that lead to rejections:

Top 5 FAI documentation defects to avoid:

1. Missing or incorrect purchase order number
2. Missing technical drawings
3. Missing certificates of conformance (CoCs)
4. Missing supplier variance requests (SVRs)
5. Missing product parts lists

BAE Systems offers tools and resources through the [Net-Inspect dashboard](#) to support accurate and complete FAI submissions.

- BAE Systems specific Net-Inspect Requirements
- The AS9102 Reference Guide
- DISCUS tutorials
- APQP Module Guide
- Notification or Revision to Supplier Quality Codes

Visit the [BAE Systems Net-Inspect site](#).

Non-BAE Net-Inspect: www.netinspect.com

Updates to Special Process Clauses 102 and 185

Special process clauses (102 and 185) are being simplified to improve clarity and ensure the requirements are easier to understand and apply. Please be aware that future purchase orders may reflect these updated clauses.

If you receive a PO referencing clause 102 or 185 and have questions, contact SQSpecialProcesses.es@baesystems.us

THAAD Program Marks 1,000th Seeker Shipment with Major Quality Gains

The THAAD program will celebrate its 1,000th Seeker shipment this summer, marking a milestone driven by major performance improvements. A key contributor to this success was the implementation of the Supplier Fixed Process (QA 208/308), which delivered measurable and sustained results:

- A program record of 42 consecutive months of on-time deliveries
- Stop-ship weeks reduced to zero, down from 33
- Supplier defect parts per million (DPPM) cut to 791, down from 144,469
- Customer FAI failure rate eliminated, down from 71 percent
- Customer satisfaction score improved from red to green
- \$2 million in cost savings realized

The fixed process initiative drove consistent quality, reduced delays and defects, and directly improve customer outcomes.

Driving Operational Excellence with Proactive Supplier Gemba Walks

Launched in early 2025, the proactive supplier gemba walk initiative is designed to support supplier maturity, strengthen quality performance, and build strong connections across our supply base. The process encourages proactive, early identification of potential risks through on-site supplier visits, while also recognizing and celebrating strong performance. Each walk is led by a BAE Systems Quality representative who partners with the supplier for a guided walkthrough of their operations. During the visit, best practices, ingenuity, and strengths are highlighted, and any areas of concern are identified before defects occur.

Gemba walks are scheduled throughout the year with selected suppliers, giving our Supplier Quality teams the opportunity to pollinate best practices across the supplier network. Suppliers may be added or removed based on performance or business conditions. These visits promote a proactive approach to quality and foster open communication through in-person conversations.

This initiative reinforces our culture of continuous improvement by creating a structured feedback loop between internal teams and suppliers. Lessons learned from each visit are used to refine processes, inspire innovation, and drive measurable improvement across the supply base. Year to date, the team has completed 27 proactive supplier gemba walks and identified 16 potential risks and corrective actions. This initiative reflects a shared commitment to evolving and improving together.

Preventing Counterfeit Parts in the Supply Base

Supplier's Counterfeit Parts Prevention (CPP) systems are essential to our business, our customers, and the products we deliver to the warfighter. Compliance to DFARS 252.246-7007/7008 and AS5553 is crucial in preventing the infiltration of counterfeit materials into our supply base.

Counterfeit parts are electronic components or assemblies that have been unlawfully or improperly reproduced, substituted, or altered. These parts are knowingly mismarked, misidentified, or otherwise misrepresented from the original manufacturer.

While counterfeit parts may appear identical to legitimate components, however these parts represent a serious fraud. Counterfeiters exploit customers seeking high quality products from reputable sources, deceiving them with substandard or defective items. The key distinction between a counterfeit and a defective part is the counterfeiter’s intent to deceive. Unlike an unintentional manufacturing defect, a counterfeit part is deliberate act of misrepresentation.

To remain effective, counterfeit parts preventions systems must be continuously reviewed and updated. Staying informed or evolving counterfeiting tactics and techniques is critical to protecting our supply base and staying ahead of criminal organizations.

Supplier Change Variance Initiation

New workflow forms are being launched on the [Supplier Center website](#) to support supplier-initiated change requests. These forms aim to standardize and improve the change request process.

BAE Supplier Quality plans to provide guidance on using the new forms. More to come on this by end of the year.

Supplier Variation Request	Supplier Notice of Escape	Supplier Change Request
<i>Waiver, "ES" type NCR</i>	<i>Supplier NOE</i>	<i>Drawing, Schedule, Clausing</i>
<ul style="list-style-type: none">Supplier completes this form to request a one-time exception to a BAE requirement.Nonconforming product has not been shipped to BAE yet.Does not replace Heritage SVR Form (00-0439A).	<ul style="list-style-type: none">Nonconforming product has been shipped to BAE.BAE to determine next steps (i.e. issue SCAR.)	<ul style="list-style-type: none">Supplier is proactively requesting a permanent change to a BAE requirement.If accepted, additional action to be taken by BAE (i.e. ECO on the drawing for a spec change.)

Enhanced Supplier Center Now Live

We are excited to announce the launch of the redesigned Electronic Systems Supplier Center, developed to improve usability, readability, and accessibility.

The BAE Systems team is committed to helping you easily find the information you need to work with us effectively. The updated site features a clean layout, improved navigation, and accessibility enhancements, allowing you to quickly locate important documents.

Please explore the new [Supplier Center site](#) and share your feedback as we continue to improve your experience.

Did you know BAE Systems Offers Lean Six Sigma Training?

The BAE Systems Lean Six Sigma program is open to all our supplier partners. Suppliers train alongside BAE Systems employees and have access to the same level of resources including a Master Black Belt as a mentor.

To apply and participate, all suppliers must have a BAE Systems champion and completed project charter.

Available Belt Training

Green Belt training	Black Belt training
DMAIC training duration: 2 weeks/80 hours, 1 week a month for 2 months	DMAIC training duration: Green Belt training, 2 weeks/80 hours, 1 week a month for 4 months
LDFSS training duration: 2 weeks/80 hours, 1 week a month for 2 months	LDFSS training duration: Green Belt training, 2 weeks/80 hours, 1 week a month for 4 months
Exam	Exam

Upcoming 2025 Courses

Type	Week 1	Week 2	Location
Green Belt Training	Sept 29-Oct 3	Nov 10-14	Manchester, NH
Black Belt Training	Sept 15-19, Oct 13-17, Nov 10-14	December 8-12, January 19-23 2026	Manchester, NH

Suppliers contact your BAE Systems point of contact (POC) to sign up for an upcoming BAE Systems training in Lean Six Sigma tools at no cost.
