~~TGG: JCL: MMC~~ AJO: RF

XF: Desk

TO: Product Liability Management Team

FROM: T. G. Grumbles and W. L. McClain
DATE: September 27, 1989

SUBJ: **REMAINING ACTION ITEMS**

As you may remember, we had several action items remaining from our consideration of the second phase, existing products liability, team goals statement.

Specifically, 1) TGG was to review the status and progress of current efforts in the area of ex-plant location activities, carrier qualification, and customer feedback mechanisms. Status reports on the first two areas are attached. A status report on the customer feedback area will be issued shortly. In general, the ex-plant and carrier areas are being addressed with existing activities, however, influence is needed in some areas to assure complete coverage of liability concerns and full implementation of program elements. 2) WLM and TGG were to prepare a prioritization model that will be used to facilitate liability reviews of existing products. This is also attached for your review and comments.

In regard to both Items 1 and 2, we need to decide if further team action is required. For Item 2, we need your specific comments on content and practicality of the proposed model, and on the degree of management endorsement needed to proceed with implementation of the effort. Please provide your thoughts and comments on these issues by October 13 to WLM or TGG. At that point we can decide if a team meeting or conference call is needed.

As to the audit of the implementation of the new product development system, the results are mixed. In summary, product managers and supervisors have been slow in developing product files and documentation in some areas, and in others the system has been ignored. Further, the PD & I process development has caused some confusion as to the use of the new product development/product liability process. A separate, specific audit report will be issued in the near future.

Some new product development manual revisions are necessary to update procedures and provide examples and guidance in some areas. Specifically, the following is needed:

1. Improve the general process flow diagram.

2. Provide updated COEDS Entry Procedure.

3. Develop and include product file examples.

When this is completed, a new manual will be issued to all manual holders.

The new product development manual has now been integrated into the Product Development and Introduction (PDI) Process Manual. Following implementation of the PDI process by the Surfactants and Industrial Chemicals Business Areas, the PDI manual can replace our new Product Development Manual.

Ex-Plant Location Audit Program - Environmental, Safety and Health Aspects

Introduction

As part of an overall effort to develop quality vendors for Ex-Plant operations, environmental, safety and health issues are included in an evaluation process to qualify potential ex-plant vendors, and to audit existing locations where we do business. The process also involves regulatory compliance issues such as product labeling, DOT requirements, product integrity and other administrative issues.

Program Description - Applicable Elements

The process involves the following:

1. Providing a Quality Manual to the Ex-Plant locations that details expectations, requirements, and procedures in multiple areas, but including regulatory compliance, employee training and product integrity assurance procedures.

2. Use of a questionnaire and a scoring process to quantitatively assess the ability and specific programs of the ex-plant vendor in the area of environmental, safety, product quality, and service.

Copies of the existing audit questionnaire and score card are attached.

Program Status

To date, the program has been "pilot tested" at several locations but has not been fully implemented. The initial use of the questionnaire indicated some potential short-comings in the data requested, such as non-specific yes/no answers that left Vista with little understanding of the vendor's actual programs or capabilities. This experience will lead to improvements in the program's data gathering stage.

Although he program is designed to qualify locations, it is designed to be used to audit existing vendors as well.

Comments

A tremendous amount of work has gone into developing the manual and audit checklist/scoring system. The full manual is not attached due to it's size. Full implementation of the process has been slow to time/priority constraints and expanding ex-plant responsibilities. Based on my understanding of the process as it is currently designed, I have the following concerns from a product liability management perspective:

1. The process does not expressly involve site visits. I believe site visits are necessary to verify data collected in audit surveys and assure a complete qualification.

2. The site-qualification is not product specific. In other words, a terminal qualified for heavy alcohols could be used in the future for acid or benzene-containing products based on the initial qualification. Requirements for different products could be more stringent or specific due to hazard or regulatory requirements. Procedures should be developed to ensure that activities do not take place at an ex-plant location without prior product-specific qualification.

3. What will be done with the qualification data is unclear. It appears a strict "control of use" procedure should be established that requires use of a facility only if they are on a qualified list. Admittedly this could be implemented only after full implementation of the program, but a binding procedure should be established and consensus reached on it's use.

4. Pinpointed training for the ex-plant "auditors" should be established and ongoing. This training would include regulatory overviews, right to know, and other liability awareness issues.

Conclusions

The ex-plant vendor audit program is well underway in development, with a lot of good work done to date. With some revisions, as proposed above, and implementation, the program will adequately cover regulatory and liability concerns.

Influencing the above changes and specifically implementation of the program are necessary steps at this time.

Motor Carrier Qualification Program

The Motor Carrier Group in S&T has worked to develop a carrier qualification program that includes safety performance, existence and content of response plans, insurance coverage, and employee training. These aspects of the program cover the main areas of concern regarding regulatory and product liability management.

Program Description

The program is designed to evaluate capabilities and performance of motor carriers. The process includes 1) a questionnaire to obtain data in multiple areas (attached), 2) initial screening and scoring of the data, and 3) interview with the companies where more detailed information is obtained.

In this process safety performance (Questions 13 through 16 of the attached) results are considered as go/no go issue. Not meeting minimum requirements will eliminate the carrier from consideration.

Program Status

The process was utilized in 1988 to choose acceptable contract motor carriers for the LCCC. The process resulted in choosing four CORE carriers with three alternate carriers from 19 considered.

The process was to begin at Baltimore, but completion of the selection process was delayed by the current strike.

Comments

The program for motor carriers we choose is well conceived and functional.

The only potential area of liability not covered is that of carriers used for "customer pick-ups". These carriers are arranged for by the customers, but from a liability management standpoint we still have some exposure and should ensure proper selection criteria are used.

Conclusions

We need to influence the use of the process at Baltimore and all other locations utilizing carriers as soon as practicable.

The process of "customer pick-up" carrier use should be reviewed and steps identified to gain some understanding of customer carrier selection criteria.

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dlj

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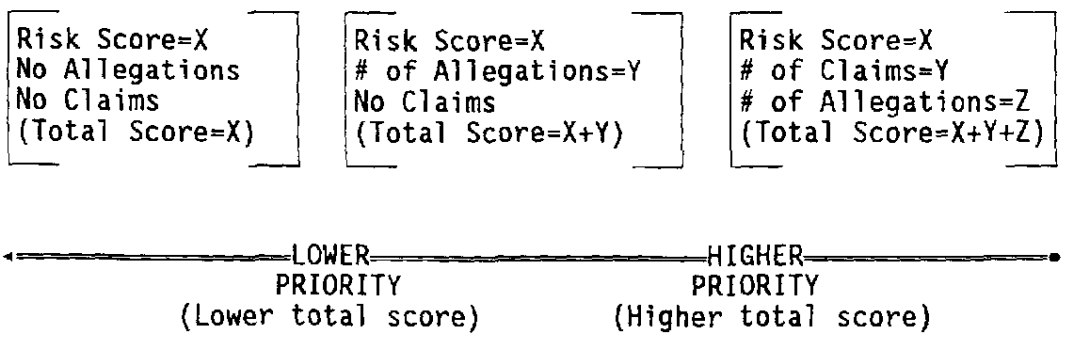
PRODUCT LIABILITY MANAGEMENT PROCESS
EXISTING PRODUCTS
PRIORITIZATION MODEL

I. Purpose of Prioritization Model

The purpose of the model is to prioritize existing Vista products based on potential product liability risk in order to organize defect review efforts. Use of the model will allow a data-based decision on which products receive the earliest review. This review will include evaluation of design, manufacturing and warning defects or defect potentials, and the determination of feasible defect reduction alternatives.

II. Model Overview

The model evaluates each existing product and is designed to be a comparative risk measurement tool as opposed to an absolute risk measurement tool. Each product or category will be scored by the model, with higher scores representing higher relative risk. The scores are determined by combining a "risk score" and an "allegation/claim score". The model can be represented by the following illustration:



III. Model Elements

The "risk score" element of the model is comprised of seven elements, with each element providing a numerical score for each product. The risk score elements and their respective scoring criteria are as follows:

	Element		Scoring	
A.	Inherent Risks (Hazard/Toxicity)			
	1. Acute Health Effects	1.	Immediate/ Irreversible	= 3
			Immediate/ Reversible	= 2
			Other	= 1
	2. Chronic Health Effects	2.	Carcinogenic	= 3
			Non-carcinogenic	= 2
	3. Physical Health Effect	3.	Flammable/ Pyrophoric	= 3
			Reactive	= 3
			Other	= 2
B.	Manufacturing/Handling Risks			
	1. Volume	1.	>200 MM lbs./yr.	= 3
			50-200 MM lbs./yr.	= 2
			<50 MM lbs./yr.	= 3
	2. Customer Population (estimated based on knowledge of customer manufacturing locations)	2.	>150 people	= 3
			50-150 people	= 2
			<50 people	= 1
	3. Transport Mode	3.	Container	= 5
			Truck	= 4
			Rail	= 3
			Marine	= 2
			Pipeline	= 1
	4. End-use Exposure Potential	4.	Low	= 1
			Medium	= 2
			High	= 3
	5. Known Potential For Manufacturing Defects	5.	Data/Known	= 2
			Suspected/No Data	= 1
	6. Customer Location Potential Risks	6.	Yes	= 1
			No	= 0

The "End-use Exposure Potential" risk element would rate a product "low" if it reached the ultimate end-user in a reacted or otherwise fundamentally altered form from the product Vista produced; "medium" if only blended or diluted, but not chemically-altered, when it reached the ultimate end-user; and "high" if it reached the ultimate end-user in an essentially unaltered form.

The "allegations/claims score" element of the model is comprised of two elements, with each element providing a numerical score for each product. The "allegations" element is the number of complaints or allegations known to Vista, and meeting the Toxic Substances Control Act Section 8(c) definition of "allegation", multiplied by 0.75. The "claims" element is the number of judicial or administrative demands or claims asserted alleging damage from a product.

EX-PLANT VENDOR QUALITY AUDIT SCORECARD

ENVIRONMENTAL ISSUES

1. How? How often? - Do you monitor air quality and employee exposures at your facility?

Excellent:	Continuous monitoring.
Good:	Periodic monitoring.
Poor:	No monitoring.

2. What wastes are generated by your process and how are they treated and disposed?

Excellent:	All wastes identified, treated/ disposed properly.
Good:	Only hazardous wastes are identified, treated/disposed of properly.
Poor:	Wastes not identified.

3. What local air emission regulations and/or environmental permits impact your facility?

Excellent:	Has full knowledge of local air emission regulations and permits in place.
Good:	
Poor:	Has no knowledge of local air emission regulations.

4. What kind of spill containment protection do you have, and what is its design capacity?

Excellent:	Complete coverage of facility designed for catastrophic failure during 100 year flood, which can segregate hazardous/non-hazardous containment.
Good:	
Poor:	No spill containment.

5. What kind of insurance do you carry and what are the limits. Please supply Certificates of Insurance to support this information.

Excellent:	General Public Liability ($5MM/incident), Worker's Compensation, Product Liability ($1MM) (Processors), Environmental Impairment Liability ($2MM) (Processors). Will provide certificates for applicable insurance.
Good:	
Poor:	

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6. Do you have someone with specific responsibilities for safety, health, and environmental issues?

Excellent: One or more individuals available at all times.
Good: One individual available.
Poor:

7. What is your emergency release and evacuation plan?

Excellent: Has formalized program with annual rehearsals.
Good: Has formalized program.
Poor: Has informal program.

8. How do you administer your hazard communication program?

Excellent: Written hazard communication plan includes list of hazardous commodities on site, proper labeling of all vessels, formalized training program with frequent updates.
Good:
Poor:

SAFETY ISSUES

1. Please explain your employee safety program.

   Excellent: Structured program with self-audits, retraining, evacuation plan, and medical facilities.
   Good: Most of the above without self-audit or formal program.
   Poor: Medical facility (first aid station) and informal program.

2. How do you ensure proper usage of safety equipment?

   Excellent: Supervisor responsible for equipment, instructions posted, employees trained/retrained in use, employee certification program.
   Good: Employee issued equipment, instructions issued and posted.
   Poor: Equipment issued.

3. How do you monitor for new regulations for safety and environmental issues which affect your facility?

   Excellent: Member of various safety and trade organizations, have contacts with regulatory agencies.
   Good: Newsletters.
   Poor: No formal sources of information.

4. How may lost time accidents, restricted work cases, and medical treatment/first-aid cases have you had in the past 12 months at your production facility?

   Excellent: Above industry average.
   Good: Near industry average.
   Poor: Below industry average.

5. What security procedures do you have at your production facility to ensure against loss/theft/vandalism of customer's product?

   Excellent: Access restricted, 24 hour guards, security check at gate, sign-in log.
   Good: Access restricted, security guard.
   Poor: Open access, no guard.

6. How many OSHA citations have you had in the past 24 months?

   Excellent: None
   Good: New industry average.
   Poor: Above industry average.

PRODUCT QUALITY ISSUES

1. What measures are in place to prevent cross contamination of similar/dissimilar products and contraband entry into the system?

   Excellent: All equipment is dedicated to Vista's product and made of approved materials with quality controls for all feedstocks.

   Good: Some dedicated equipment with formalized cleaning procedures; partially closed system with limited feedstock quality control.

   Poor: No dedicated equipment, informal cleaning procedures, system open to environmental contaminants.

2. Describe your record keeping procedures for processes like receiving, shipping, sampling, process control parameters, and special requests.

   Excellent: Formalized written procedures, records kept by operators, identifies Vista lot number, lists batch components, is legible, organized, complete, and accurate; answers who, what, where, when, and how.

   Good: Informal procedure, records kept by operators, may identify lot number, is legible and accurate.

   Poor: No procedures, organization, or records.

3. What are your sampling and data collection procedures for process control parameters, production control, and shipment composites?

   Excellent: Written procedures, accurate test equipment, sample integrity, specified retain period, etc.

   Good: Unwritten procedures, questionable markings, etc.

   Poor:

4. What is your procedure to respond to customer complaints?

   Excellent: Documented formal procedure assuring investigation within one (1) workday, documented response in three (3) workdays, and corrective action plan developed with customer input.

   Good: Informal procedure which takes action in one (1) workday, response in three (3) workdays.

   Poor: No procedure.

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5. What are your calibration procedures for lab equipment and measuring devices? How frequently are they administered?

   Excellent: Formalized procedures which include records of calibrations and maintenance, and SPC applications for precision and accuracy.
   Good: Undocumented procedures with some SPC applied.
   Poor: SPC not used.

6. What are your procedures for inspecting the quality of raw materials used in this operation?

   Excellent: A formalized statistical quality program in place, which includes self certifications and periodic audits for vendors and SPC techniques used other non-vendor supplied raw materials (water, air, etc.).
   Good: Routine use of SPC.
   Poor: SPC not used.

7. What is your procedure to ensure that product quality does not degrade during transportation, i.e., inspect equipment, bracing, etc.?

   Excellent: Special handling instructions are communicated when needed, formalized quality program which includes self certification, audits, and SPC techniques.
   Good: Inspection procedures, photographs of shipment, etc.
   Poor: Little or no attention paid to transportation.

8. What is your procedure to ensure that product and container quality does not degrade during storage and are in the best possible condition at the time of shipment?

   Excellent: Special storage instructions are known and monitored; formalized quality program which includes self certification, audits, and SPC techniques.
   Good: Special storage instructions are known and monitored.
   Poor: Special storage instructions are not known.

9. What is your procedure for handling product which is identified as off-spec after processing?

   Excellent: Formalized action plan that features quarantine of material with notification to Vista.
   Good: Notification is given to Vista.
   Poor: Product gets to customer.

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10. Do you have a documented Quality Program with objectives and action plan for improving quality of your processes? Please provide a copy.

Excellent:	The operation is intensely involved in a formalized program which features audit, self certification, and routine checks for process capability. Several accomplishments can be identified. Will/has supplied Vista with a copy.
Good:	Formal Quality Program applying statistical control.
Poor:	No formal Quality Program or a program that does not use statistics.

11. What is your process capability index for major processes? Please provide sufficient data to support capability index.

Excellent:	All processes have capability indices greater than one.
Good:	Major processes have capability indices greater than one.
Poor:	Process capability is not known.

SERVICE ISSUES

1. What is your procedure for confirming shipments after departure and what is your response time?

   Excellent: Hard copy received by Vista by 12:00 noon of same day of shipment.
   Good: Hard copy received by Vista by 12:00 noon of day after shipment.
   Poor: Hard copy received by Vista after 12:00 noon of day after shipment.

2. How do you monitor the accuracy, timeliness and completeness of your invoices?

   Excellent: Use SPC techniques, Pareto analysis, and Problem Solving Model.
   Good: Monitor complaint frequency, 100% inspection.
   Poor: No monitoring system.

3. What are your procedures for handling "Special Requests" for samples or information?

   Excellent: Individual assigned responsibility to respond, obtains thorough understanding of need, suggest alternatives, timely response and confirmation of action taken.
   Good: More than 50% of above traits.
   Poor: Less than 50% of above traits.

4. Who is key contact and what hours is he accessible?

   Excellent: Readily accessible - all hours - everyday.
   Good: Limited availability.
   Poor: No availability after normal business hours.

5. How do you ensure the identification, segregation and retrieval of product by lot number?

   Excellent: A successfully proven operating system for Lot ID, segregation, and product retrieval.
   Good: An established, but faulty system.
   Poor: No system.

6. How soon and by what method is Vista notified of problems?

   Excellent: Contact Vista verbally within 1 hour (365 days/24 hours).
   Good: Contact Vista verbally within 24 hours.
   Poor: More than 24 hours.

7. How are product shipments inspected to ensure compliance with Vista's marking and labeling instructions?

Excellent:	Formalized system to double check, against our instructions, in place prior to shipment.
Good:	Informal system, no double check.
Poor:	No system.

8. How does vendor respond to any problems/discrepancies with marking and labeling instructions?

Excellent:	Contact Vista verbally within 1 hour.
Good:	Contact Vista verbally within 24 hours.
Poor:	More than 24 hours.

9. What <u>methods</u> are used to check scales for accuracy?

a. Control Charts
b. Calibration Procedure/Frequency

Excellent:	Tests for precision and accuracy, frequency determined by SPC techniques.
Good:	Documented calibration schedule with data.
Poor:	No calibration data.

10. What kind of training is provided to employees?

Excellent:	Formalized training program for safety, quality, right to know, and literacy, with follow-up sessions.
Good:	More than 50% of above traits.
Poor:	Less than 50% of above traits.

11. What is your procedure for reporting inventories and what is your response time?

Excellent:	Inventory updated daily, month-end inventory reported by 4th workday of the month. All inventories are on record by Product, Package and Lot Number. Inventory is physically checked for accuracy of month-end report.
Good:	All of the above, except physical count is done less than once per year.
Poor:	Some of the above.

QUALITY AUDIT CHECKLIST FOR:

11-Apr-89

AUDITOR: DATE:

TYPE OF OPERATION:

ENVIRONMENTAL	YES 0 = NO 1 = YES	DOCUMENTED 0 = NO 1 = YES	SPC 0 = NO 1 = YES	RESPONSE 1-5
1 . Do you have programs for monitoring the following?				
a. Air Quality				
b. Employee exposure to regulated chemicals				

How frequently do you monitor:

a. Air Quality_____

b. Employee Exposure_____

Attach additional sheets if necessary.

Remarks:

2 . Have you identified the air quality regulations and environmental permits that impact your facility?				

Remarks:

ENVIRONMENTAL (CONT'D)

	YES	DOCUMENTED	SPC	RESPONSE
3 . a. Have you identified any hazardous wastes which are generated by your facility?				
b. Do you have approved EPA or state agency guidelines and permits for the disposal of those hazardous wastes?				

Remarks:

4 . a. Does your plant employ a spill prevention, control, and countermeasure plan as required by regulation?				
b. What is the design capacity of your spill containment system?	_____			
c. Is segregated spill containment and/or diversion for hazardous and non-hazardous materials available at your facility?				

Remarks:

5 . Can you provide Vista with a Certificate(s) of Insurance?				

Remarks:

6 . Does someone at your facility have specific responsibility for safety, health, and environmental matters?				

Remarks:

ENVIRONMENTAL (CONT'D)

	YES	DOCUMENTED	SPC	RESPONSE
7 . a. Does your facility have an evacuation and emergency response plan for material releases?				
b. Have your employees been trained with respect to this plan?				

Remarks:

8 . Do you have a hazard communication program?				

Remarks:

SAFETY

1 . Do you have a formalized employee safety program?				

Remarks:

2 . a. Do you train employees with respect to the proper usage of safety equipment and machinery?				
b. Do you continually train employees regarding the proper use of safety equipment and machinery?				

Remarks:

SAFETY (CONT'D)

	YES	DOCUMENTED	SPC	RESPONSE
3 . Do you monitor the development of new regulations in the following fields?				
a. Safety				
b. Environmental				

Remarks:

	ENTER NUMBER HERE
4 . a. How many lost time accidents (LTA's) have occured at your facility in the past twelve months?	
b. How many restricted work cases (RWC's) have occured at your facility in the past twelve months?	
c. How many first aid cases (FAC's) have occured at your facility in the past twelve months?	

	YES	DOCUMENTED	SPC	RESPONSE
5 . a. Does your facility employ 24 hour guards or have a security system?				
b. Does your facility have limited access gates?				

Remarks:

SAFETY (CONT'D)	YES	DOCUMENTED	SPC	RESPONSE
6 . Has your facility received any OSHA citations in the past 24 months?				

Remarks:

PRODUCT QUALITY

1 . Are there provisions to prevent contamination of products (i.e., use of dedicated equipment)?				

Remarks:

2 . Do you have recordkeeping procedures for the following processes?

a. Receiving				
b. Shipping				
c. Sampling				
d. Process Control Parameters				
e. Special Requests				

PRODUCT QUALITY (CONT'D)

	YES	DOCUMENTED	SPC	RESPONSE
3 . Do you have formal data collection procedures for the following?				
a. Process Control Parameters				
b. Production Control				
c. Shipment Composites				
d. Others (Please Specify)_____				

Remarks:

4 . Do you have a procedure for responding to Customer complaints?				

Remarks:

5 . Do you have calibration procedures for the following?				
a. Analytical Equipment				
b. Measurement Devices				

Remarks:

6 . Do you have procedures for testing the quality of raw materials when received?				

Remarks:

PRODUCT QUALITY (CONT'D)

	YES	DOCUMENTED	SPC	RESPONSE
7 . Do you have a procedure to ensure product quality does not degrade in transit?				
Remarks:				
8 . Are provisions made to prevent product and container degradation in storage and at the time of shipment?				
Remarks:				
9 . Do you have a procedure for handling product which is classified as off-spec after processing?				
Remarks:				
10 . Do you have a documented Quality Program with objectives and an action plan for improving the quality of your processes.				
Remarks:				
11 . Have process capabilities been calculated for specified parameters?				
Remarks:				

VENDOR: DATE:

SERVICE QUALITY

	YES	DOCUMENTED	SPC	RESPONSE
1 . a. Do you have procedures for confirming shipments after departure?				
b. What is your response time for confirming shipments after departure?				_____
Remarks:				
2 . Do you monitor your invoices for accuracy, timeliness, and thoroughness?				
Remarks:				
3 . Do you have procedures for handling special requests for the following?				
a. Samples				
b. Information				
Remarks:				
4 . a. Do you have key contacts for Customers?				
b. Are key contacts accessible during regular business hours?				
Remarks:				

SERVICE QUALITY (CONT'D)

	YES	DOCUMENTED	SPC	RESPONSE
5 . Can you ensure the identification, segregation, and retrieval of product by lot number?				

Remarks:

6 . Is Vista verbally notified of problems/emergencies within 1 hour (365 days per year)?				

Remarks:

7 . Are product shipments inspected to ensure compliance with Vista's marking and labeling instructions?				

Remarks:

8 . Do you have procedures for responding to problems or discrepancies with marking and labeling instructions?				

Remarks:

9 . Do you have methods to check scales for accuracy?				

Remarks:

SERVICE QUALITY (CONT'D)

	YES	DOCUMENTED	SPC	RESPONSE
10 . Do you have formalized training programs for employees?				

Remarks:

	YES	DOCUMENTED	SPC	RESPONSE
11 . Do you have a procedure for reporting inventories? If so, list your reponse time.				

Inventory Reporting Response Time_____

Remarks:

16. Describe breifly your Emergency Response Plan.

INSURANCE

17. Please provide a copy of your standard insurance coverage policy including:

- Umbrella coverage
- Clauses
- Deductible
- Ryders
- Hazardous vs non-hazardous material

ADMINISTRATION

18. What steps will be taken to assure timeliness and accuracy of freight invoices? (Vista requires that a copy of the Bill of Lading accompany each invoice submitted for payment.)

19. What is the average turnaround time for resolution of Overcharge and OS&D claims?

    How does your system assure this process continues to be carried out in a timely manner?

GENERAL INFORMATION

20. Please provide a primary and secondary contact for Vista corporate and plant personnel.

    Primary:
    Secondary:

21. What was your Corporation's net income for each of the past three years?

    1988 -
    1987 -
    1986 -

22. What was your Corporation's operating ratio for the past three years?

    1988 -

1987 -

1986 -

23. What is the outlook for your Corporations's structure for the short and long-term? (Ownership, organizational structure, major pending changes)

CARRIER PROFILE QUESTIONNAIRE

Answers to the following questions will help the Motor Carrier Performance Team develop a profile of your company. This information is vital in the evaluation process. Please answer Yes or No where appropriate. Due to time constraints, there will be no follow-up questions from the Team directed to you to obtain clarification or additional information.

OPERATIONS

1. Do you have a terminal in Baltimore? Yes No

   If no, would you be willing to place a terminal in Baltimore? Yes No

   Please provide a list of other terminal locations.

2. Please provide a list of all liquid bulk trailer types domiciled in Baltimore indicating age of each.

3. What is your ratio of Teams to Singles in Baltimore?

   Are your drivers union or non-union?

4. Do you provide training in the following areas?

			Frequency
Safety	Yes	No	
Hazardous Material	Yes	No	
Defensive Driving	Yes	No	
Customer Service	Yes	No	

5. Do you have a Performance Reward System? Yes No

   If yes, briefly explain.

6. Do you have a bulk cleaning facility in Baltimore? Yes No

7. Do you have bulk cleaning facilities at other locations? Yes No

   If yes, please provide a list of these facilities.

8. How will you clean at remote locations? (After delivery to Vista customers)

9. Please provide a list of all cleaning and waste disposal facilities used by your company. List by name of facility and location where cleaning is performed or waste is disposed.

10. Are equipment repairs performed at your Baltimore Terminal? Yes No

    If no, please indicate name and location of facility where repairs will be performed.

11. Briefly explain your preventative maintenance program.

12. Vista would like to solicit the cooperation of your company to trip lease Vista drivers and equipment for back-hauls into the Baltimore area. At this time, what is your Company's attitude on this subject? What areas need resolution?

SAFETY

13. Please provide your most recent D.O.T. Motor Carrier Safety Survey.

14. Please provide your D.O.T. reportable accident performance record for each of the past three (3) years as a ratio of accidents per million miles.

15. Please indicate the number of moving and non-moving citations issued to your company (nationwide) for each of the past three years.

VISTA CARRIER QUALITY EVALUATION

PART A: PLEASE ANSWER YES OR NO TO THESE QUESTIONS.

1) DOES YOUR COMPANY HAVE A FORMAL, WRITTEN CORPORATE QUALITY POLICY? (IF YES, PLEASE ATTACH)	YES	NO
2) IS THERE AN ON-GOING PROGRAM TO ASSURE THAT ALL EMPLOYEES ARE FORMALLY TRAINED IN QUALITY PROCEDURES, POLICIES, AND TECHNIQUES?	YES	NO
3) IS THERE A FORMAL PROGRAM TO ANALYZE AND REDUCE CUSTOMER COMPLAINTS?	YES	NO
4) DOES YOUR FIRM HAVE A SEPARATE QUALITY DEVELOPMENT OR QUALITY IMPLEMENTATION DEPARTMENT?	YES	NO

PART B: PLEASE PLACE AN X ALONG THE CONTINUUM THAT WILL REFLECT YOUR FIRM'S PROGRESS IN QUALITY IMPLEMENTATION.

	NO PROGRESS									FULLY IMPLEMENTED
1) ALL MAJOR PROCESSES ARE DEFINED USING PROCESS FLOW DIAGRAMS (PLEASE ATTACH EXAMPLES)	1	2	3	4	5	6	7	8	9	10
2) CRITICAL PROCESS MEASUREMENTS HAVE BEEN IDENTIFIED FOR KEY PROCESSES	1	2	3	4	5	6	7	8	9	10
3) CONTROL CHARTS/GRAPHS ARE MAINTAINED ON CRITICAL PROCESS MEASUREMENTS (PLEASE ATTACH EXAMPLES)	1	2	3	4	5	6	7	8	9	10
4) CHARTED PROCESSES ARE MONITORED ON A CONTINUOUS BASIS TO DETERMINE IF THEY ARE IN STATISTICAL CONTROL	1	2	3	4	5	6	7	8	9	10

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5) THE TEAM CONCEPT IS UTILIZED IN PROBLEM SOLVING

| 1 2 3 4 5 6 7 8 9 10 |

6) NATURAL AND PROJECT TEAMS HAVE BEEN FORMED TO SERVE AS A BASIS FOR PROCESS IMPROVEMENT

| 1 2 3 4 5 6 7 8 9 10 |