PARTNERSHIP PROFILE
At Gallagher, we believe in making complex things simple. We strive to design and manufacture products that are intuitive to use and make people’s lives easier – it’s in our Orange DNA. Behind that simplicity lies one of the biggest supply chains in New Zealand. Our products all depend on the contributions of people across the globe, employed by both Gallagher and our manufacturing partners.

GALLAGHER IS DRIVEN TO REDEFINE WHAT’S POSSIBLE THROUGH BRILLIANT SIMPLICITY AND THE GALLAGHER WAY

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animal management

decades of working with farmers around the world, means that gallagher truly understands their unique needs. whether it be electric fencing, weighing and electronic identification equipment or water monitoring systems, gallagher is committed to creating smarter, simpler solutions that make farm life easier and more profitable.

security

gallagher understands no organisation can afford to compromise on security, be it for risk management, personnel workflow or business continuity. there are no second chances. we have researched and built some of the world’s most powerful security systems to ensure first rate security and safety.

fuel systems

fuel is a costly and volatile commodity so it’s critical that fuel systems are as efficient and accurate as possible. this is an area of specialist expertise for gallagher and we’ve led the design, development and supply of fuel dispensing systems throughout australasia and the pacific - including the first centralised vacuum system for vapour recovery to achieve tuv certification.

contract manufacturing

our manufacturing expertise and access to leading technologies and international purchasing network means we can offer cost-effective contract manufacturing solutions, allowing our customers to concentrate on other key areas of their business.

when joe the horse decided to use the family car as a scratching post, it inspired bill gallagher senior to solve the problem by electrifying the car. joe got the message and the concept for the world’s first ever electric fence was born.

that innovative drive remains at the heart of gallagher today.

now, as an international company, we still push boundaries as we work alongside our customers to explore - and discover - the solutions which will redefine the potential for their business.

about us

our business units

animal management

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For Gallagher to compete successfully in the global market, our suppliers must share our vision and commitment to continuous improvement in all areas. How well we work together to achieve world-class performance is ultimately determined by our customers and the marketplace.

The CORE Brilliance programme is a dynamic supply management strategy based on Gallagher’s core values of:

C Being Customer Inspired
O Delivering Outstanding Quality
R Through Relentless Innovation and by
E Building Enduring Partnerships

This is a four step framework for Gallagher and our suppliers to follow, so we can ensure we’re all pursuing a shared vision and commitment.

1. Set and communicate goals with our suppliers that will lead our companies toward achieving world class performance.
2. Provide feedback so suppliers can identify specific performance gaps.
3. Develop a plan to achieve any necessary improvements.
4. Recognise and reward our suppliers for consistently meeting or exceeding their goals.

Involvement, trust, cooperation and teamwork are the basic principles of the CORE Brilliance programme. It is designed to nurture enduring partnerships through a consistent evaluation process that promotes communication and continuous improvement.
The Objectives

We believe in standards – for our suppliers and for ourselves.

CUSTOMER INSPIRED
- Share ideas and resources to support continuous improvement efforts
- Focusing on customer satisfaction

OUTSTANDING QUALITY
- Give accurate and timely communication of performance data on the quality and delivery of purchased products
- Reducing total cost

RELENTLESS INNOVATORS
- Maximise our technological strength by utilising our suppliers’ technical support, innovation and expertise
- Integrate suppliers into all Gallagher processes
- Continuously improving products and productivity for the entire life cycle of the products

ENDURING PARTNERSHIPS
- Develop mutually beneficial and profitable relationships with our suppliers
- Measure performance to direct and encourage continuous improvement efforts and provide the criteria for recognising suppliers for outstanding efforts
- Helping each other take advantage of growth opportunities
- Strengthen communication between Gallagher and our suppliers

CORE BRILLIANCE

The Core Brilliance process rates suppliers in areas of quality, delivery, technical support, relationships, and cost management. A cross-functional evaluation team reviews supplier performance in these areas. A supplier’s overall classification is based on the lowest rating they receive in any single area.

Our four rating classifications are:

Elite Classification – A supplier who goes above and beyond our performance standards, reaches world-class levels, and has a measurable effect on our level of customer satisfaction.

Essential Classification – A supplier who exceeds our minimum standards and is consistently pursuing world class performance levels

Qualified Classification – A supplier who meets minimum performance standards

Provisional Classification – A supplier who does not meet minimum performance standards and is a possible candidate for removal from the Gallagher supply base.
Quality Evaluation

**96-100%**
- **Elite**: Outstanding quality. Product is highly reliable. Well-defined documented quality plans and improvement initiatives. Excellent continuous improvement results achieved.

**75-81%**
- **Qualified**: Quality meets expectations. Reactive rather than proactive to quality issues. Internal customers are generally satisfied.

**82-95%**
- **Essential**: Good quality programme, responds immediately to problems. Products are reliable. Consistently exceeds performance metrics.

**Less than 75%**
- **Provisional**: Routine service, marginal products. Needs improvement or long-term relationship with this supplier is not likely.

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The Quality PPM calculation evaluates the ability of the supplier to satisfy our needs, expectations and requirements of the material provided. Quality PPM provides a supplier with statistical evidence of their product quality. The rating is expressed in parts per million (PPM) as follows:

\[
\text{Quality PPM} = \frac{\text{Total Non-Conformances}}{\text{Supplied Pieces}} \times 1,000,000
\]

- **0-250**: Elite
- **251-500**: Essential
- **501-1000**: Qualified
- **1001+**: Provisional

To calculate:

2 defective pieces in every 10,000 pieces

\[
\frac{2}{10000} = 0.0002 \text{ or } 0.02\% \text{ defective}
\]

\[
0.0002 \times 1,000,000 = 200 \text{ PPM}
\]

*Paperwork Issue NCAs will no longer be given a PPM rating. Instead, they will impact the Delivery section of the qualitative survey.*

*A supplier cannot be scored ‘Elite’ in a month where they’ve had a Paperwork Issue NCA.*
Evaluates a supplier’s ability to respond to our delivery needs

**Delivery Evaluation**

**96-100%**
- **Elite:** Products are always on time. Extremely responsive to short leadtime orders. Delivery and invoicing processes are seamless.

**82-95%**
- **Essential:** Timely delivery of products. Very few invoicing issues. Very responsive to short leadtime orders.

**75-81%**
- **Qualified:** Usually prompt in providing products. Follow up sometimes required on delivery and/or invoicing issues. Reactive and not proactive.

**Less than 75%**
- **Provisional:** Follow up required. Continually misses delivery deadlines. Leadtimes are excessive. Not attempts to expedite delivery.

**Technical Support Evaluation**

**96-100%**
- **Elite:** Provides immediate response to technical issues. Independently pursues and implements technical improvements. Provides Gallagher with leading edge technologies. Account Managers are highly trained in their field.

**82-95%**
- **Essential:** Introduces new and existing products with few problems. Account Managers are fully capable of dealing with most technical issues. Pursues and implements technical improvements with appropriate guidance.

**75-81%**
- **Qualified:** Reactive versus proactive to changes in technology. New products are not always available. Requires follow up to implement technical improvements. Adequate technical support.

**Less than 75%**
- **Provisional:** No technical support. Not responsive to change.

Measures the service and technical support provided by the supplier
Relationship Evaluation

96-100%
Elite: Customer-focused proactive employees who pursue continuous improvement, provide accurate information, and exceed expectations. Excellent teamwork and communication. Clarity, openness, and candor exist in the business relationship. Market trends provided every month.

82-95%
Essential: Conscientious support staff results oriented, and consistently meet expectations. Active participant in problem resolution.

75-81%

Less than 75%
Provisional: Reluctant to document and share information. Lacks credibility. Extensive clarification and follow-up required by Gallagher.

Recognition and Thanks

When companies display exceptional business relationships with us, we like to recognise them.

We understand that rewarding supplier performance is an important aspect of the CORE Brilliance process, so we will recognise Elite-Level suppliers annually.

Supplier of the Year awards may be given to Elite-Level suppliers who demonstrate exceptional performance in meeting CORE Brilliance goals.

Hall of Fame awards will be given to suppliers who maintain Elite-level classification for five consecutive years.

Thanks

We thank you for your ongoing support and commitment to CORE Brilliance. It is intended that this Partnership Profile highlights our shared commitment and practices to extend our Orange DNA values into all of our operations.

A composite analysis of the supplier’s initiative, attitude, responsiveness, attention to detail, communications and safety performance