

Supplier Corrective Action Request (SCAR): systematically requesting defect resolution from the supplier

A Supplier Corrective Action Request (SCAR) is a formal document by which a company requires a supplier to perform a systematic root cause analysis and permanently resolve a quality problem. The SCAR is the central tool in complaint management and generally follows the 8D (Eight Disciplines) methodology. For buyers and quality managers, it is the most effective means of preventing repeat defects and measurably improving supplier performance.

Key facts

- A SCAR requires the supplier to perform a structured root cause analysis and effective corrective and preventive actions.
- Typical contents include problem description, interim containment action, root cause analysis (5-Why, Ishikawa), corrective actions and evidence of effectiveness.
- The SCAR is closely linked to supplier evaluation, Parts per Million (PPM) and the supplier quality target.
- In practice, a response time of 24 hours for the interim containment action and 10 to 14 working days for closure are commonly agreed.
- Without an effectiveness check, a SCAR remains ineffective; the check is typically performed across several consecutive batches or deliveries.
- Digital quality management systems significantly reduce processing effort compared with email- and Excel-based processes.

Definition: Supplier Corrective Action Request

A Supplier Corrective Action Request (SCAR), also known in German as Lieferantenkorrekturmaßnungsanforderung, is a formalised change and action document issued by a buying company to a supplier after the latter has delivered defective parts, has documentation deficiencies or process deviations. The aim is not merely fixing the defect in the individual case, but the demonstrable elimination of the cause so that the problem does not recur.

Distinction from complaint and 8D report

A complaint documents the facts and secures claims such as replacement or credit note; it is phase-independent and often legally shaped. The SCAR goes further: it requires a systematic defect analysis following defined steps, in practice usually in the 8D format. An 8D report is the most common response format to a SCAR. The two tools complement each other but do not replace one another.

Typical triggers for a SCAR

In practice, triggers are primarily incoming inspection defects, elevated scrap rates in production, field

failures at the end customer, missing or faulty accompanying documents such as test certificates or declarations of conformity, and violations of agreed processes. Samples rejected as part of a supplier release or production part approval can also trigger a SCAR if systematic causes are present.

Procedure and methods of a SCAR process

An effective SCAR process follows a fixed sequence with clearly defined deadlines and responsibilities. It begins with problem documentation and ends only with demonstrable evidence of effectiveness confirmed by the customer.

The classic steps in detail

The process usually follows the 8D methodology: first, the buyer describes the problem precisely, ideally with batch numbers, defect pattern and quantity. The supplier must demonstrate an interim containment action – such as blocked stock, sorting or a recall of affected goods – within a short deadline, frequently 24 to 48 hours. This is followed by root cause analysis, corrective action, verification of its effectiveness and the derivation of standardised preventive measures.

Analysis tools: 5-Why, Ishikawa and FMEA reference

For root cause analysis, methods such as the 5-Why chain, cause-and-effect diagrams according to Ishikawa and comparison with the process FMEA have become established. Crucially, the supplier must analyse the root cause of occurrence and the cause of non-detection of the defect separately – the so-called "escape paths". Only then can inspection steps and process controls be adjusted in a targeted manner. The results are frequently incorporated into updates of inspection plans and control plans.

Deadlines and escalation levels

In practice, graduated deadlines have proven effective: interim containment action within 24 hours, interim report after about five working days, final report after ten to fourteen working days. If no response is received or the information is insufficient, an escalation follows – from a joint on-site meeting to involvement of procurement to the imposition of shipping stops or new business holds. Binding deadlines and escalation paths should be defined in the quality assurance agreement (QAA).

Key KPIs and evaluation in supplier management

SCARs are not only a correction tool but also a data source for systematic supplier evaluation. The number, severity and cycle time of open SCARs feed into scorecards and release decisions.

Key metrics around the SCAR

Common metrics are the number of open and closed SCARs per supplier and time unit, the cycle time from opening to closure, the quality of the submitted 8D reports and the repeat defect rate – i.e. the proportion of SCARs whose cause has already been criticised once. In addition, Parts per Million (PPM) as a defect rate and Schedule Adherence provide the context into which the SCAR data is placed.

Link to supplier evaluation and release

SCAR data should be automatically fed into the Supplier Scorecard and given a defined weight in the overall evaluation. A supplier with a high number of open SCARs may subsequently be treated more restrictively in supplier release or production part approval, for example through tightened incoming inspection or mandatory Pilot Run samples before every change. Conversely, a low repeat defect rate

signals that corrective actions are genuinely taking effect.

Making cost effects transparent

Many companies also calculate the costs caused by defects – sorting effort, scrap, rework, freight costs for replacement deliveries. These figures form the basis for negotiations on cost absorption and strengthen the position in negotiation management. They also show whether investments in a supplier's process capability – for example a pilot project with the supplier to stabilise the process – are economically worthwhile.

Risks, typical mistakes and effective controls

In practice, SCAR processes rarely fail because of the methodology; they fail due to a lack of consistency, unclear responsibilities and inconsistent data management. Those who know the typical stumbling blocks can avoid them in a targeted manner.

Typical weak points

Common mistakes are vague problem descriptions without batch reference, overly generous deadlines, accepting superficial root cause analyses ("human error") and closing SCARs without genuine evidence of effectiveness. It is also problematic when SCARs are only triggered for major failures while small-series or documentation defects remain unaddressed – this creates a distorted picture of the supplier.

Control mechanisms and governance

Effective controls include a clear technical acceptance of the 8D contents by the quality manager, a defined verification period for effectiveness (typically three to five consecutive batches) and a regular review of open cases in the procurement and quality meeting. Supplier master data management should document the contact person for quality complaints per supplier so that escalations do not end up in the wrong place.

Contractual safeguards

Deadlines, cost absorption, response obligations and escalation rights belong in the quality assurance agreement or the framework supply contract. It is important to document all steps for potential legal disputes; the specific commercial and liability situation – such as recourse claims or self-supply rights – should be reviewed legally in each individual case. For buyers, the following applies: the SCAR is not a punishment instrument but a systematic improvement lever – tone and cooperation at eye level significantly increase the success rate.

Digital implementation and current developments

Many companies are increasingly digitising SCAR processes, integrating them into supplier portals and linking them with metrics and procurement systems. This reduces cycle times and makes repeat defects visible.

Software-supported SCAR workflows

Modern quality management and supplier portals generate SCARs automatically from blocked stock, incoming inspection reports or complaints, send them to defined supplier contacts and monitor deadlines. Status, evidence and attachments are stored in an audit-proof manner in one place. The

combination with procurement systems also allows open SCARs to be taken into account when approving orders – a supplier with an open SCAR for an affected material is thus automatically treated more restrictively.

Integration into metrics and planning processes

SCAR data gains value when merged with other procurement metrics: Parts per Million (PPM), Schedule Adherence, Three-Way-Match Rate or the results of the price target-actual comparison paint a complete picture of supplier performance. Deadline monitoring of ongoing orders can also be coupled with quality alerts so that critical materials can be double-sourced or planned via alternative sources as needed – for example via Material Requirements Planning (MRP) or the Master Production Schedule (MPS).

Sustainability, documentation and regulatory pressure

The SCAR concept is expanding: in addition to product defects, companies are increasingly demanding corrective actions for documentation and compliance deficiencies, such as an incomplete PPWR declaration of conformity for packaging, incomplete evidence on recycled content ratios or implausible data on the Supply Chain Carbon Footprint (SCF). The mechanism remains the same: identify the deviation, clarify the cause, anchor the action, verify effectiveness. Those who set up SCARs so that they also cover these topics are better prepared for increasing reporting requirements.

SCAR in start of production, pilot series and contract manufacturing

The SCAR unfolds its effect not only in series production but also in particularly defect-prone phases such as start of production and outsourced manufacturing services.

SCAR during start of production and pilot series

During start of production (SOP) and pilot-series procurement, quality problems are more frequent but often process-related rather than supplier-related. Nevertheless, a formalised SCAR is worthwhile here: it enforces a clean separation of causes between development, process and supplier responsibility and secures the findings from the supplier pilot project or the Pilot Run for future projects. In this way, ramp-up problems are not dismissed as "teething troubles" but systematically worked through.

SCAR in contract manufacturing and sourcing of complex services

With contract manufacturing, the allocation of responsibility is more delicate: the contractor manufactures to customer specification, and defects may lie in the specification, the tooling or the process. A good SCAR process defines in advance who bears the root cause analysis and the costs, and links this to agreed supplier quality targets. This prevents fruitless blame games and accelerates joint problem solving.

Typical metrics

SCAR cycle time: <= 14 working days

Time from opening to the agreed final report; highly process- and product-dependent

Response time for interim containment action: <= 24–48 hours

Common guideline value for providing evidence of the interim containment action after notification

SCAR repeat defect rate: < 5%

Proportion of SCARs whose cause has already been criticised once; the lower, the more effective the measures

Open SCARs per supplier: 0 overdue cases

Number of open, overdue SCARs in the supplier portfolio; feeds into the Supplier Scorecard

Practical example

A mid-sized mechanical engineering company detects increased dimensions during incoming inspection of precision turned parts; within two weeks, 1,200 parts from three deliveries are affected. Production also reports sporadic scrap at downstream machining centres. Procurement opens a SCAR and coordinates the process together with the quality department:

- Supplier's interim containment action within 24 hours: blocked stock, 100% sorting, replacement delivery by express – documented in the SCAR form.
- Root cause analysis by the supplier via 8D report: wear on a clamping jaw in the turning service plus a missing tool wear alarm; correction via maintenance interval and an additional inline measurement.
- Evidence of effectiveness across five consecutive batches with decreasing sample size, followed by a return to normal incoming inspection.
- Recording of the incidents in the Supplier Scorecard and comparison of the PPM value with the agreed supplier quality target at the next quarterly review.

Conclusion

The Supplier Corrective Action Request is the central steering instrument for not merely complaining about quality problems at the supplier, but demonstrably eliminating them. Its value arises from consistency: clear deadlines, sound root cause analyses and genuine evidence of effectiveness. Equally important is its embedding in supplier evaluation, scorecards and contractual agreements, so that findings have a lasting effect. Digitalised processes significantly reduce the effort and make repeat defects visible. Those who apply SCARs systematically and cooperatively improve not only quality, but also costs, delivery dates and collaboration with strategically important suppliers.

Frequently asked questions

What is a Supplier Corrective Action Request (SCAR)?

An SCAR is a formal document by which a customer requires a supplier to perform a systematic root cause analysis and permanently resolve a quality problem. It is customary to process it in the 8D format with an interim containment action, root cause analysis and evidence of effectiveness. The SCAR is a standard tool in supplier quality management in the automotive and process industries.

What belongs in a SCAR / 8D report?

Typical contents include a problem description with batch and quantity data, the interim containment action with date, root cause analysis (e.g. 5-Why or Ishikawa) covering both occurrence and non-detection, the permanent corrective action and evidence of effectiveness. In addition, responsible persons, deadlines and supporting evidence such as measurement reports are documented. Closure occurs only after confirmed effectiveness, not upon receipt of the report.

How long does it take to process a SCAR?

In practice, common timeframes are 24 hours for the interim containment action, five working days for the interim report and ten to fourteen working days for the final report. The effectiveness check may cover a further three to five consecutive batches. Specific deadlines should be defined contractually or in the quality assurance agreement.

What is the difference between a complaint and a SCAR?

A complaint documents the defect and secures claims such as replacement, resupply or credit note. The SCAR goes one step further and requires the supplier to perform a structured root cause analysis and demonstrably effective corrective and preventive actions. In practice, both processes run in parallel and draw on the same findings data.

Who issues the SCAR – procurement or quality?

Content responsibility usually lies with the quality department, since specialist expertise is required to review the root cause analysis. Procurement becomes involved in escalation, cost negotiations and supplier-strategic consequences such as a shipping stop or new business hold. In many companies, procurement acts as the contractual partner, while quality performs the technical acceptance of the 8D report.

What happens if a supplier does not respond to a SCAR?

A graduated escalation is customary: a reminder with a deadline, then a joint meeting or on-site audit, followed by measures such as tightened incoming inspection, a shipping stop or suspension of new business. Lasting consequences such as contractual penalties or terminations should be prepared contractually in advance. The incidents are factored into the supplier evaluation and can in the long term lead to a shift of sources.