Figure 1. An Inspection Stage

Material Management

Product Business Unit

Parts

1. Incoming Inspection (Lotted)

Return lot

2. Inspect Prior to Assembly (Inspect & Sort)

Sort inventory and return

3. Inspect After Assembly (Inspect & Sort)

4. QA Audit (Inspect & Sort)

Finished Goods

Escaping Defects

Finish
Figure 3. CoQ vs. Defect Rate for Display Panel
Figure 4. CoQ vs. Sample Size for Display Panel