IATF 16949 Eligibility for Fabless Organization

This letter is to confirm that Monolithic Power Systems (MPS) is a fabless semiconductor company. MPS is ISO 9001:2015 certified and the quality management system is aligned with IATF 16949:2016. All manufacturing subcontractors for MPS are IATF 16949:2016 certified.

Please see the addendum for letter of IATF 16949 ineligibility for MPS.

Below are excerpts from the IATF 16949 Rules, 5th edition explaining why fabless organizations are ineligible for IATF 16949 certification.

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1.0 ELIGIBILITY FOR CERTIFICATION TO IATF 16949

IATF 16949 defines the quality management system requirements for a client providing design and development, production and, when relevant, assembly, installation, and services (see the definition of “Manufacturing” below for the list of services) of automotive-related products.

“Client” shall be understood as the entire entity (including all related manufacturing sites and remote supporting locations) applying for IATF 16949 certification.

IATF 16949 is applicable to all sites of a client where customer-specified production parts, service parts, and/or accessory parts are manufactured.

“Customer-specified production parts” shall be understood as parts that are an integral part of a vehicle. The only customer-specified parts that do not meet this requirement but are to be included are the following: fire extinguisher, car jacks, and floor mats, owner’s manuals, and warning triangles.

“Site” shall be understood as the location at which value-added manufacturing processes occur (see IATF 16949, section 3.1). A site may also include more than one (1) address (see Annex 4). Fabless sites and sites making only non-automotive related products are not eligible for IATF 16949 certification (see section 10.0).

Note: A client performing value-added activities on their customer’s premises can be considered as a remote support location of a site but is not eligible for stand-alone certification. The function would be identified as “service” on the IATF certificate.

“Manufacturing” shall be understood as “the process of making or fabricating production materials, production of service parts, assemblies, or heat treating, welding, painting, plating, or other finishing services of automotive-related parts” (see IATF 16949, section 3.1).

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Fabless manufacturing
The design and distribution of production parts while the fabrication or "fab" of the production parts is outsourced to a specialized manufacturer. Fabless companies separate the design from the manufacturing to concentrate on research, design, development, and testing.

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Rules for achieving and maintaining IATF recognition ---- Fifth edition for IATF 16949
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Regards,

Dirk van Putten
Quality Manager, QMS and Automotive
Addendum: Letter from TUV SUD America

February 18, 2020

Silvia Martinez
Monolithic Power Systems Inc.
79 Great Oaks Boulevard
San Jose, CA 95119

To whom it may concern:

This letter confirms that Monolithic Power Systems Inc. is not eligible for IATF 16949 certification as defined in the IATF Rules.

The Rules for Achieving and Maintaining IATF recognition, 5th Edition for IATF 16949, specifically states in section 1.0 that “Fabless sites and sites making only non-automotive related products are not eligible for IATF 16949 certification”.

If there are any questions regarding the certification eligibility, please contact me.

Sincerely,

Earl Buckmiller
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TUV SUD America
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