PRODUCT QUALITY REVIEW

Oxygen Sensor R-22AHJR

Jikco OEM sensor | Stock Ref 0110361

SUPPLIER REF	REVIEW ISSUE	REVIEW TRIGGER
C44611-R22AHJR	**404625**	**QA failure rate > 5%**
DEC 2025 QA	**JUL 2026 QA**	**OVERALL STATUS**
14 / 100 (14.00%)	**36 / 201 (17.91%)**	**Continue monitoring**

Executive Summary

Finding: The elevated internal QA rejection rate is confirmed, but the available evidence does not show an equivalent deterioration in customer-field performance. The product is a known lower-yield OEM sensor, the customer understands this characteristic, and the commercial price includes allowance for additional QA failures. Existing QA controls remain important and should continue.

1. Reason for Investigation

A review was automatically triggered because the internal QA rejection rate for stock reference 0110361 exceeded the 5% review threshold. The review considers whether this represents a new or worsening product issue, whether customers are exposed to unacceptable failures, and whether further corrective action is required.

2. Product Background

The R-22AHJR is an OEM oxygen sensor supplied for a specific customer/application. The product has a known lower-than-normal production yield. This characteristic is understood by both Viamed and the customer.

The commercial arrangement reflects this known yield characteristic: the customer pays an agreed price above the underlying base sensor cost to provide an allowance for the additional units that may fail Viamed's incoming/functional QA inspection.

This commercial understanding does not remove the requirement to monitor quality. The QA threshold has correctly triggered this review so that any deterioration or increased customer risk can be identified.

3. QA Performance

Period	Failed	Tested	QA Failure Rate
December 2025	14	100	**14.00%**
July 2026	36	201	**17.91%**

The July 2026 result is 3.91 percentage points higher than December 2025. This confirms a relatively low first-pass QA yield and supports continued monitoring.

A QA rejection is not the same as a customer failure. Viamed's QA process is specifically intended to identify unsuitable sensors before dispatch and therefore acts as a customer protection control.

4. Customer Return / Failure Review

Return classification	Quantity	Assessment

High Output	3	Confirmed fault
Low Output	6	Confirmed fault
No Output	7	Confirmed fault
Unstable	1	Confirmed fault
No Fault Found / Was Found	27	No confirmed product fault

44	17	27
Detailed returns reviewed	Confirmed faults	No fault confirmed

Of the 44 units in the detailed return analysis, 17 (38.6%) had a confirmed fault and 27 (61.4%) had no confirmed product fault.

5. Customer Failure Timing

Fault	Within 6 Months	By 10 Months	Total
High Output	3	0	3
No Output	2	5	7
Unstable	1	0	1
Low Output	1	5	6
TOTAL	**7**	**10**	**17**

There is no evidence within the supplied return data of a large population of immediate or early-life customer failures corresponding with the substantially higher internal QA rejection percentage.

6. Comparison of QA and Customer Experience

INTERNAL QA YIELD	CUSTOMER FIELD EXPERIENCE
14.00% failed in Dec 2025 **17.91% failed in Jul 2026**	**17 confirmed faults identified** **27 returns with no fault confirmed**

The difference between internal rejection and confirmed customer failures supports the view that Viamed's QA inspection is removing a significant proportion of unsuitable sensors before they reach the customer.

The elevated QA percentage is therefore best treated primarily as a supplier/product yield issue rather than as evidence of an equivalent customer-field failure rate.

7. Known Product Characteristic & Commercial Arrangement

The lower yield associated with this OEM sensor is already known. The customer is aware of the characteristic and accepts the supply arrangement. The selling price includes an allowance above the base sensor cost to compensate for additional QA failures expected during inspection.

Accordingly, a higher rejection rate is not in itself evidence that the product or supply arrangement is unacceptable. The relevant control question is whether the rejection rate has materially deteriorated beyond the known behaviour, or whether confirmed customer failures show a corresponding adverse trend.

8. Risk Assessment

Area	Assessment	Current Position
Customer safety / exposure	No new specific safety concern identified	Controlled

Customer quality impact	QA inspection removes unsuitable units before supply	Controlled
Financial impact	Known and included in commercial arrangement	Accepted
Supplier / product yield	Lower than normal and above review threshold	Monitor
Trend	17.91% in Jul 2026 vs 14.00% in Dec 2025	Monitor

9. Conclusion

Overall Finding

The >5% QA threshold operated correctly and Issue 404625 was appropriately raised. The product has a known lower QA yield and the recent rejection levels are significant, but they should not be interpreted as equivalent customer failure rates. The current evidence does not indicate a new or uncontrolled customer quality issue requiring escalation solely on the basis of the QA percentage.

Disposition: Continue existing QA controls and enhanced monitoring.

10. Actions / Follow-Up

1. Continue 100% or existing specified QA inspection of this product prior to customer supply.
2. Continue recording QA failures by batch/receipt to identify deterioration in supplier yield.
3. Continue monitoring confirmed customer faults separately from internal QA failures.
4. Review the next significant incoming batch against the December 2025 and July 2026 results.
5. Escalate for further supplier investigation if the QA rejection rate continues to increase materially or if confirmed customer failures demonstrate a corresponding adverse trend.
6. Maintain the current commercial arrangement while the known lower yield remains commercially acceptable to Viamed and the customer.
7. Attach this review to Issue 404625 as evidence that the >5% QA trigger has been investigated and assessed.

Data Quality Note

The source report should be checked before final closure because it shows 1,018 units in system, a grand total of 1,107 units, and 44 returns stated as 4.37%. These values do not mathematically reconcile exactly. The reporting date range also shows an end date of 11 August 2026. These points do not alter the qualitative conclusion above, but should be confirmed for record accuracy.

Reviewed by	Date	Issue closed / follow-up
Derek Lamb	10 August 2026	_____