



# DRIVING VALUE

## Understanding the Full Economic Impact of Sourcing Decisions

UPCOMING WORKSHOPS:  
June 28 – Auburn Hills, MI

**Participants  
receive a copy of the  
VQ™ value quantifier:  
a spreadsheet-based  
sourcing tool**

### A PROGRAM FOR BUYERS OF:

- *Chassis components*
- *Braking & suspension products and systems*
- *Safety systems & components*
- *Body controls*
- *Paints & coatings*
- *Interior components*
- *Engine components*
- *Steering components*
- *Raw materials & chemicals*
- *Services*
- *Process manufacturing & testing equipment*
- *Electrical/electronic components & systems*



## WHY IT'S IMPORTANT TO BE VALUE-DRIVEN

The automotive industry appears to be on the mend. While volumes are once again rising, challenges remain. The industry is attempting to reinvent itself on a host of fronts – in efficiency, innovation, and sustainability – all at once. Yet progress will be obstructed at every turn if the traditional, cost-focused sourcing paradigm holds sway.

Increasingly, the purchasing community is looking to award business based not necessarily on low costs and low price, but on the basis of real value. In order to determine how much value a given supplier can bring, purchasing and sourcing professionals need to be skilled at identifying the total cost of a transaction; not just the landed costs. For example, slight differences in the quality of a sourced component can often have a profound impact on homologation and manufacturing costs, as well as the value of the finished part. In other cases, suppliers may offer a host of services, such as design and engineering support, the value of which is often not well understood. Whether you are responsible for purchasing raw materials, components or advanced technologies, the objective should be to identify vendors that will be able to help your organization to reduce its manufacturing and production costs or increase revenues and profit on sales.

Documenting and demonstrating value is both challenging and rewarding. It involves quantifying benefit claims that can touch on complex design, engineering, production and marketing processes. But the rewards dwarf the effort required. Identifying suppliers that add the most value enables automakers to find efficiencies, improve quality, and innovate new products.

The answer is to create a discovery and negotiation process that is fact-based and data-driven. This workshop gives personnel the skills and tools to contribute to, or even create, that process. Participants get a unique opportunity to work together with industry colleagues to learn a proven methodology and apply it to real-world, industry-specific examples. Ample time is also spent working with participants to identify and document the value of the specific components they are responsible for.

### Common Sourcing Challenges Addressed By The Workshop:

- What value is and other key definitions and concepts
- Key success factors in implementing a value-based sourcing approach
- Beyond the piece price – basing sourcing decisions on financial metrics such as TCO, ROI and Payback
- Get better information by asking suppliers the right questions
- Validate supplier claims with internal stakeholders (e.g., manufacturing, quality, marketing)

### Understand How to Quantify the Value of:

- Improving R&D cycle times
- Reducing warranty costs
- Reducing downtime
- Improving productivity
- Reducing supply chain management costs
- Improving quality and performance
- Improving fuel efficiency

## ABOUT THE VQ™ SOURCING TOOL

- Designed specifically for buyers in the Auto and Heavy Duty Industries
- Identifies key sources of value
- Quantifies the dollar value of benefits
- User-friendly, feature-rich software designed to aid the sourcing and negotiation process
- Can be customized and integrated with other tools such as cost and pricing models
- Compatible with Windows XP, 2000, and later versions

## BENEFITS OF ATTENDING

- Hear how purchasing organizations are maximizing the value of sourcing decisions
- Learn how to identify sources of value in supplier proposals and bids
- An opportunity to benchmark yourself against industry best practices
- Learn to validate and confirm what differences in supplier offerings are really worth
- Receive a copy of the first-of-its-kind tool, the VQ™ v1.75



## WHO HAS ATTENDED?

### AUTOMAKERS

GM  
FORD  
CHRYSLER  
RENAULT  
OPEL  
BENTLEY  
VOLVO  
VOLKSWAGEN  
FIAT

### SUPPLIERS

AK STEEL  
ALPS  
AMERICAN STANDARD  
ARCELOR MITTAL  
AUTOTUBE MANUFACTURING  
BASF  
BEHR  
BORGWARNER  
BOSCH  
CUMMINS  
DANA  
DENSO  
DOW  
DURA AUTOMOTIVE SYSTEMS  
EBERSPAECHER  
EXCEL-POLYMERS  
EXXONMOBIL  
FAURECIA  
FEDERAL MOGUL  
FERRUFORM  
GKN SINTER METALS GMBH  
GOODYEAR  
HITACHI  
INERGY AUTOMOTIVE SYSTEMS  
ITW  
JOHNSON CONTROLS  
MAGNA INTERNATIONAL  
MAGNETTO WHEELS S.P.A.  
MICHELIN  
MULTIMATIC  
NAVTEQ  
PARKER HANNIFIN  
PLASTICOMNIUM  
RIETER  
SAINT GOBAIN  
SHELL  
SKF  
TAKATA  
THYSSENKRUPP  
TI AUTOMOTIVE  
TIMKEN  
VISTEON  
VOITH  
WEBASTO  
YAZAKI  
ZF

## Who Should Attend

This one day seminar is designed for:

- Purchasing agents
- Senior buyers
- Purchasing managers and executives
- Commodity managers
- Supply chain professionals

## The Presenter

The workshops are facilitated by the following instructor:

**Steve Rose** leads the Automotive and Heavy Duty practice. He is a seasoned industry veteran with over 25 years of professional experience. Steve spent the majority of his professional career at Michelin Tire. While at Michelin, Steve held leadership positions in sales and marketing with P&L responsibility in a number of divisions, including Passenger, Truck and Earthmover. While serving as the VP for Sales & Marketing in North American and Asia, Steve led the implementation of a formal value-based sales and marketing approach in both the Truck and Earthmover divisions. Under Steve's leadership, Michelin's Truck and Earthmover divisions routinely exceeded plans and remain market share leaders worldwide.

In the past seven years, Steve has had the opportunity to train and work with hundreds of parts suppliers across the globe. This experience has afforded Steve with insights into how suppliers and purchasing can better collaborate for mutual gain.

In addition to work with the supplier community, Steve has also worked with and trained purchasing executives at leading automakers. This has provided Steve with an in-depth view of the sourcing and negotiation process. He understands how the mutual benefits to suppliers and automakers will lead to a more sustainable automotive industry in the long run.

Steve is a sought-after speaker and has delivered key note addresses at automotive industry conferences. He has also led industry best-practice research on the supplier-buyer negotiation.



|                |                                                                     |
|----------------|---------------------------------------------------------------------|
| 8:00-9:00am    | Continental Breakfast                                               |
| 9:00-10:30 am  | The Value-Driven Sourcing Approach                                  |
| 10:30-10:45 am | Break                                                               |
| 10:45-12:00 pm | Case Study                                                          |
| 12:00-1:00 pm  | Lunch                                                               |
| 1:00-2:00 pm   | Applying value-based concepts to the current bid evaluation process |
| 2:00-3:00 pm   | Constructing a Value Framework                                      |
| 3:00-3:15 pm   | Break                                                               |
| 3:15-4:00 pm   | Introduction to VQ™ Sourcing Tool                                   |
| 4:00-4:45 pm   | Documenting Value                                                   |
| 4:45-5:00 pm   | Wrap Up                                                             |

## What Purchasing Has to Say

*“We need to ask suppliers to prepare the analysis this course teaches before coming to meetings.”*  
– Scott Murphy, Purchasing Manager, Volvo

*“The approach creates value not only for suppliers but also for OEMs. Suppliers will show up much better prepared, not using only phrases. This could create a win/win at least on fact based negotiations”*  
– Ralf Hunerfeld, Executive Director of Purchasing, HVAC, GM

*“As a purchasing representative I found it very interesting and educational. It will enable those of us in purchasing to identify the best suppliers more easily!”*  
– Karl Simmons, Design and Development Manager, Bentley

*“Working in the purchasing department, the information and methodology covered in this workshop has set a new vision in terms of how to work with suppliers.”*

– Cathy White, Group Supply Chain Manager, St. Clair Technologies

## When and Where

Seminar Date   Location

June 28   Auburn Hills Marriott Pontiac at Centerpoint – 3600 Centerpoint Parkway – Pontiac, Michigan 48341 USA

Registration Deadline

March 5

Register Online

[Register Now](#)

## Fees

**Registration fees are \$995.00 per person.** Continental breakfast and lunch are included in all registrations. Payment must be made in the form of a wire transfer or credit card and must be received on or before the registration deadline.

## Cancellations

Should you be unable to attend for any reason after registering, please inform Kotler Marketing Group within ten (10) business days of the program date, and you will receive a credit voucher for the full amount, or a full refund less a \$495.00 non-refundable deposit.

**For more information on this training program, or any of our services, call us at 1-202-331-0555**