

Automotive Company A

Generating improvement of overall purchasing work process and \$8.4M annual financial impact

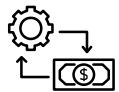
Client Background and Challenges

A global automotive parts manufacturing company that produces brake systems, suspension systems, steering systems, and tire pressure sensing systems. The company has 50+ global presences in 10+ countries including R&D, production, sales and driving test centers. It also focuses on developing technologies related to electric vehicles and self-driving cars.

The client had issues in

- Competition among auto-manufacturers drives cost control
- Lack of cost management system in the early stages of product development
- Outdated IT systems decrease work efficiency
- Multiple purchasing systems hinder end-to-end visibility and control

Solutions



Product Cost Management

Managing cost from earliest stage with cooperation between suppliers, developers, and purchasing team for end-items



Integrated One System

Supporting procurement & sourcing works and reducing gap among processes with a single unified system



Price Fluctuations Response

Streamlining the manual process of responding to real-time changes in raw material prices (integrated in VAATZ)

Impacts Delivered

Quantitative



of Direct material costs saving with cost estimation at design stage



Reduction in vendor selection lead time through streamlined sourcing process



Cost tracking man-hours saved with material cost management system

Qualitative



Accurate and timely business decision making based on data of cost analysis at design stage



Securing data for future AI adoption through high-quality refined cost table DB of the auto industry perspective



Innovating the conservative purchasing work through introduction of latest IT tech(AI, RPA, Hybrid-cloud)

Automotive Tier 1 Supplier B

Achieved continuous annual cost savings of more than \$7.5M and improved work efficiency by establishing an integrated purchasing system

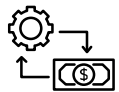
Client Background and Challenges

A global company that supplies automotive thermal management systems. The company operates manufacturing facilities and R&D centers in 20+ countries worldwide. The company develops and manufactures various automotive thermal management products such as automotive air conditioners, power steering systems, engine cooling systems, battery management systems, and more.

The client had issues in

- Cost control by clients due to accelerating competition among global automakers
- Need to improve simple and repetitive business process
- Complex purchasing task divided into several stages, such as product development and production
- Information gap between overseas subsidiaries

Solutions



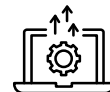
Product Cost Management

Supporting collaboration of diverse stakeholders with cost reduction perspective at the design and development phase



Cost Estimation

Calculating manufacturing costs and recommending the right unit costs by global single cost table including parts and machining



Supplier Lifecycle Mgmt.

Providing globally standardized integrated system for vendor onboarding, evaluation, and management

Impacts Delivered

Quantitative



Procurement process lead time with streamlined collaboration



Purchasing cost saving in design phase through standardized global cost table



Increased efficiency in sourcing with systemization & automation of manual work

Qualitative



Resolving business confusion by unifying purchasing counters and establishing a clear R&R system



Generating invaluable insight by providing a single source of truth from the centralized repository information



Ensuring stronger partnership by systematic history management of vendor information, evaluation results