

▪ **Supply Chain Management (SCM):**

- planning, steering, and controlling across the whole production process
- starting with purchase; often focussing and standardisation through economies of scale and outsourcing to production partners and specialised service providers

▪ **Just-in-time (JIT):**

- primarily driven by consumption (pull on demand)
- shifting of capacity across various levels (breathing)
- optimising/shifting of binding of resources and costs (onto prior process neighbours)
- leaner and more flexible production

▪ **Management of Value Chain:**

- from SCM to customer relations (CRM)

▪ **Platforms for Synergies:**

- work bundles, lot sizes, modules, flexibility: good for costs ?
- ... but bad for distinct profile and differentiation, running danger of self-cannibalisation (branding, regions, prices) ?

Standards, trends, and developments in this industry.

With this cube, you hold all trumps in your hand

20 years experience in systemic-practical General Management

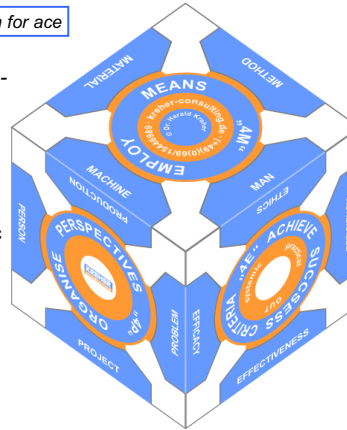
A spects  
S tructures  
S teps

Ass = German for ace

... all considered in the Kreher Cube

... these 3 components correspond with the basic areas of consulting:

Strategy  
Organisation  
Process



See the situation, face it and get to grips with it. With the Kreher Cube you got a winning deck of cards at your command

... well, and I, surely, would like to help you at it. 😊 HK

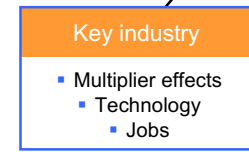
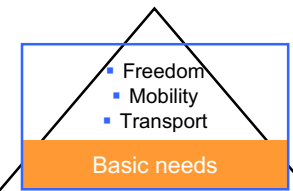
S urround  
S truggle  
S uceed

Ordering frame AND instrument for your taSks.

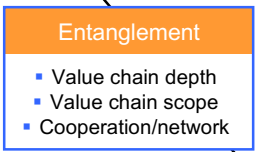


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systemic practical GUT



Tradition  
Globalisation  
Relevance  
Substance

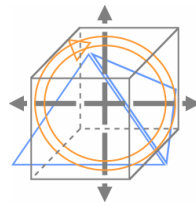


Flyer topic © Dr Kreher, 2007 **AUTOMOTIVE Industry**

- ➔ What does that mean for capacities, make or buy, outsourcing and **your** share in value generation ?
- ➔ Do you know about **learning curves** and **maturity** of market segments relevant to you ?
- ➔ Have "the **Japanese**" yet regained "new old insights" ?  
- there we see an increase in share of own production and insourcing.  
- because of controlling and knowledge management ?
- ➔ Foremost: Do you know what is feasible and possible for **your** company ?
- ➔ Which rules apply to (new) **markets** ?  
- you imagine big growth markets like **China** ?  
- mass market for entry and low-price types or a straight jump into the mid-price market due to dynamic economic development of a socio-economic middle class ?
- ➔ It is not enough to know your own competencies; they have to be seen in light of **relations and interactions** (competitors, suppliers, customers) and shaped against the wider backdrop of the state of the economy.
- ➔ Favourable is, by and large, the possibility to have own **direct access** to markets and agents operating therein.

Here for you

**KREHER**  
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Ask for/demand

- conversation
- specific topic flyer
- personal presentation
- consulting with an edge
- ... KREHER CONSULTING !

Looking forward to

- contact and interest
- collaboration
- ... YOU !

[www.kreher-consulting.de](http://www.kreher-consulting.de)

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Some producer alliances and brands	Consolidation	Big suppliers
<ul style="list-style-type: none"> <li>▪ <b>BMW</b>, Mini, Rolls-Royce</li> <li>▪ <b>DaimlerChrysler</b>, Dodge, Jeep, Mercedes-Benz, Smart; (Mitsubishi)</li> <li>▪ <b>Fiat</b>, Alfa Romeo, Ferrari, Lancia, Maserati</li> <li>▪ <b>Ford</b>, Jaguar, Land Rover, Volvo; (Mazda)</li> <li>▪ <b>General Motors</b>, Buick, Cadillac, Chevrolet, Isuzu, Opel, Saab; (Suzuki)</li> <li>▪ <b>Honda</b></li> <li>▪ <b>Hyundai</b>, Kia</li> <li>▪ <b>Porsche</b></li> <li>▪ <b>PSA</b>, Citroen, Peugeot</li> <li>▪ <b>Renault</b>, Dacia, Nissan</li> <li>▪ <b>Toyota</b>, Daihatsu, Lexus, Scion</li> <li>▪ <b>VW</b>, Audi, Bentley, Lamborghini, Seat, Skoda</li> </ul>	<p><b>which</b></p> <ul style="list-style-type: none"> <li>▪ survive</li> <li>▪ disappear</li> <li>▪ emerge</li> </ul> <p><b>where</b></p> <ul style="list-style-type: none"> <li>▪ markets (e.g. regions)</li> <li>▪ form (e.g. independence)</li> </ul> <p><b>how</b></p> <ul style="list-style-type: none"> <li>▪ success (e.g. profits)</li> <li>▪ performance (e.g. core/side business)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Bosch</li> <li>▪ Denso</li> <li>▪ Magna</li> <li>▪ Delphi</li> <li>▪ Johnson Controls</li> <li>▪ Aisin Seiki</li> <li>▪ ...</li> <li>▪ ...</li> <li>▪ ...</li> <li>▪ Valeo</li> <li>▪ ThyssenKrupp</li> <li>▪ Siemens/VDO</li> <li>▪ Mahle</li> <li>▪ Continental</li> <li>▪ ZF</li> <li>▪ ...</li> <li>▪ ...</li> <li>▪ ...</li> </ul>

What about YOUR fit and development in a dynamic market and complex setting ?

**(1) Strategy**

- **Positioning and profiling for and in markets**
  - professional/industry or private/consumer
  - mass market or niche
  - price segments

... starkly simplified; this is an **excerpt**

Much to decide! This and much more ...  
... on the 3 levels of corporate design ...  
... and management consulting.

**(2) Organisation**

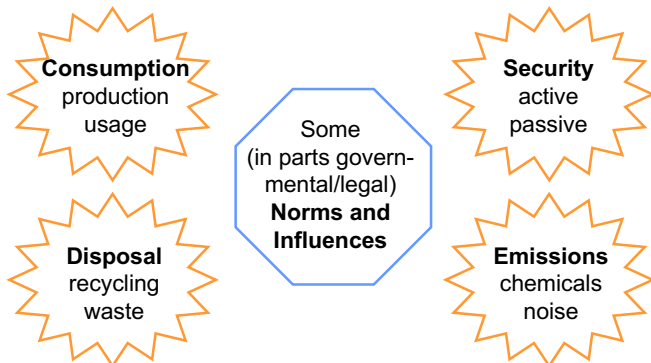
- **Combination/mix**
  - production depth/scope, platforms
  - suppliers, make or buy
  - distribution channels, own or not
- **Criteria**
  - controllability
  - exclusiveness
  - close/distant
  - national/international

**(3) Process**

- **Purchase/product development**
  - innovation from within
  - take-in/take-over
- **Production technique**
  - SCM
  - levels and steps
- **Sales/market development**
  - differentiation
  - partnerships

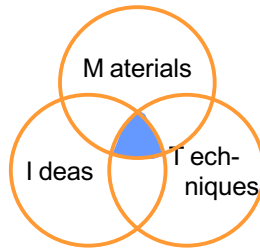
Possible transport and mobility alternatives for automobile and road

- **Obvious:**
  - track
  - water
  - air
- **But also:**
  - combinations (incl. automobile)
  - cut-back in automobile usage
  - substitution of automobile



Surrounding conditions for market actors – from material/resource supplier to consumer.

Innovations – new functionalities AND new sales and marketing opportunities; opt for active realisation, e.g. through your own “MIT”:



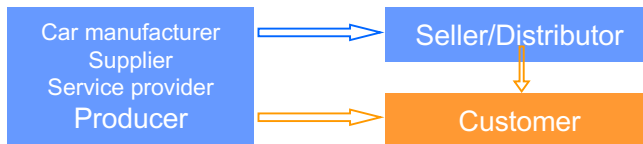
<b>Materials</b>	Combinations thereof
<b>Ideas</b>	
<b>Techniques</b>	
<b>Materials</b>	

- light & composite materials
- coating, sealing, and anti-corrosion
- ...

- cross-over and versatility; from car types like SUVs to hybrid engines/motors
- specialisation and service provision
- ...

- efficient and effective production methods
- electronic components/features like computing, speed and distance controls, parking device, adaptive light
- ...

Where lies growth and value generation for you ?



But what is (your) **core business** ? The “original” product loses importance in mature markets. Sometimes it is not even the entry ticket to markets in direct connection to the seeming core business.

Thus **after-sales** gains importance AND yields higher **margins** than the “original” product. How complementing jobs and market chances emerge in/around the automotive industry can be described through **these catchwords**:

- Financial services (financing & credits, i.e. “pre-sales”; insurances)
- Parts (repair and accessories; “after-sales”)
- Car park/fleet management (“all-inclusive service”)
- Disposal (re-selling, ecology)
- “Community-Forming”: events, holiday travels, clubs

Which business elements can and should be catered for and provided by you ?

Based on <i>original</i> positioning (see prior)	Thoughts for success in <i>mature</i> markets
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- new/used/annual cars
- value: at sale/retaining
- discount battles

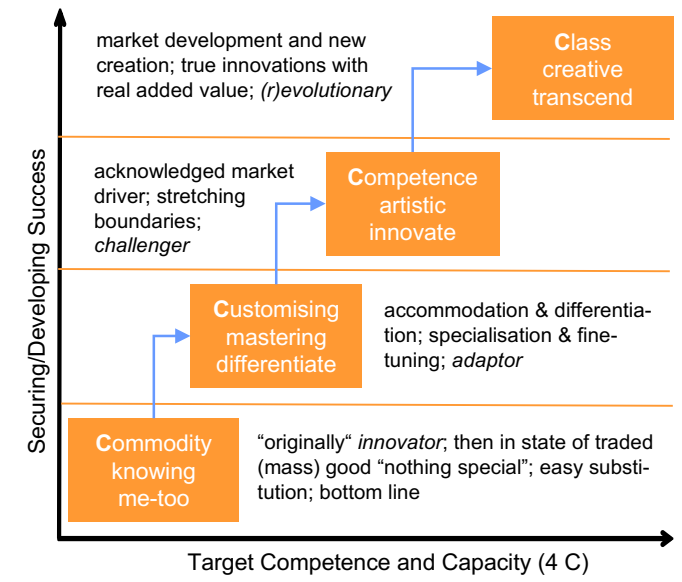
- differentiation
- brand profile
- customer relation

→ Thus, not only “hard”, attributable but also discernible, “soft” factors.

→ Performance **hard** and must generate **soft** values.

How do you create, secure, and develop your (own) brands and trademarks ?

Fold left third inward to this line.



One realises, possibilities in the market are not solely limited by production and logistics components. Make use of the 3 I – Information, Innovation, and Intelligence.