
VDA Aftermarket Committee: Post-series Supply Work Group Electrics / Electronics

**Results of enquiries into the implementation status of the measures
recommended by the Work Group (03/2006)**

Questions: Compiling joint E/E specification requirements (maximum result = 20%)

1. Are specific after-sales requirements such as

- Product design for reverse compatibility
- Product design for suitability for reconditioning
- Use of flashable processors
- Product design for suitability for repair
- Ensuring suitability of finished product and components for storage
- Product design for diagnostic procedure defined in the requirement specification?

2. Are there internal processes to ensure that these requirements appear in all vehicle and component requirement specifications?

Result: Compiling joint E/E specification requirements (maximum result = 20%)

Status	2004	2005
OEM 1	20%	20%
OEM 2	12.5%	15%
OEM 3	5%	n. a.
OEM 4	20%	20%
OEM 5	10%	10%
OEM 6	15%	20%
OEM 7	17.5%	20%
Supplier 1	10%	10%
Supplier 2	7.5%	12.5%
Supplier 3	5%	10%
Supplier 4	17.5%	17.5%

- There was further development at all participants in 2005, in some cases to a significant degree.
- Care must be taken that long-term supply becomes a firm element on the OEM side during the order placement process and series-production development.

Note: E/E is not relevant for all suppliers in the Aftermarket committee.

Questions: Further development of decision tree with use of computing model (maximum result = 40%)

1. Is there a specific E/E post-series supply strategy, taking the following alternatives to continuous production into account?

- Use/development of compatible parts/follow-up parts (also to cover previous technical conditions)
- Suitability for storage
- Suitability for reconditioning

(the basis for a strategy of this kind is the availability of a model / process similar to the decision tree as shown)

2. Is the OES after-sales organisation involved in the approval process, in order to ensure the required reverse compatibility / suitability for reconditioning / suitability for repair?

3. Are computing models used to permit alternatives to be taken (or not taken) into account? (compatible follow-up product, reconditioning, continuous production)

Result: Further development of decision tree with use of computing model (maximum result = 40%)

Status	2004	2005
OEM 1	12.5%	22.5%
OEM 2	12.5%	21.3%
OEM 3	6.3%	n. a.
OEM 4	27.5%	40%
OEM 5	8.8%	8.8%
OEM 6	40%	40%
OEM 7	8.8%	22.5%
Supplier 1	25%	25%
Supplier 2	0%	10%
Supplier 3	6.3%	10%
Supplier 4	32.5%	34%

- Strategy development has made further progress at the OEMs, but implementation requires further action.
- At most companies, the use of computing models in the product creation process remains in its earliest stages.

Questions: Conducting annual discussions on ceasing production (maximum result = 15%)

1. Is there a process for the identification of critical article numbers?
2. Is the cessation of production of this critical selection of items discussed regularly with priority suppliers / automobile manufacturers?

Result: Questions: Conducting annual discussions on ceasing production (maximum result = 15%)

Status	2004	2005
OEM 1	10%	12.5%
OEM 2	3.8%	3.8%
OEM 3	3.8%	n. a.
OEM 4	3.8%	11.3%
OEM 5	2.5%	2.5%
OEM 6	15%	15%
OEM 7	8.8%	8.8%
Supplier 1	11.3%	11.3%
Supplier 2	3.8%	8.8%
Supplier 3	7.5%	7.5%
Supplier 4	15%	15%

- Many of the companies to whom questions were submitted have defined a process for identifying critical article numbers.
- The need for discussions between companies on ceasing production has been identified, and there are plans to extend and improve this procedure.
- Suppliers are still farther ahead with their own sub-contractors in this process than OEMs. Improvements are aimed for but have not yet been put into effect.

Questions: Definition of mandatory procedural rules (maximum result = 15%)

Are there binding agreements with suppliers / automobile manufacturers, based for instance on the proposed procedural rules (see concluding presentation by the E/E post-series supply work group) ?

Result: Definition of mandatory procedural rules (maximum result = 15%)

Status	2004	2005
OEM 1	7.5%	11.3%
OEM 2	3.8%	7.5%
OEM 3	3.8%	n. a.
OEM 4	0%	13.5%
OEM 5	15%	15%
OEM 6	15%	15%
OEM 7	7.5%	11.3%
Supplier 1	0%	0%
Supplier 2	0%	3.8%
Supplier 3	0%	3.8%
Supplier 4	0%	0%

- When assessing the existence of binding rules of procedure, estimates by OEMs and suppliers continue to diverge to a large extent.
- The rules of procedure are to be found in some cases in general agreements. There is scope for improvement.

Questions: Drawing up joint solutions with semiconductor manufacturers (maximum result = 10%)

1. Is there a structured process for the early identification of critical components?
2. Are critical article numbers dealt with in the discussions on ceasing production?

Replies: Drawing up joint solutions with semi-conductor manufacturers (maximum result = 10%)

Status	2004	2005
OEM 1	3.8%	6.3%
OEM 2	5%	6.3%
OEM 3	1.3%	n. a.
OEM 4	2.5%	10%
OEM 5	5%	5%
OEM 6	10%	10%
OEM 7	3.8%	5%
Supplier 1	10%	10%
Supplier 2	5%	8.8%
Supplier 3	5%	5%
Supplier 4	10%	10%

- A process for the early identification of critical components has already been established at most companies. There is very full awareness of the need for an inter-company process.
- Discussions with semi-conductor manufacturers on the cessation of production are mainly conducted by the affected suppliers, with increasing support from OEMs.

Summary

	Status 2004 (max. 100%)	Status 2005 (max. 100%)	Status 2006 (planned) (max. 100%)
OEM 1	53.8%	72.5%	81.3%
OEM 2	37.5%	53.8%	75%
OEM 3	20%	n. a.	n. a.
OEM 4	53.8%	79.8%	98.5%
OEM 5	41.3%	41.3%	41.3%
OEM 6	95%	100%	100%
OEM 7	46.3%	67.5%	78%
Supplier 1	56.3%	56.3	92.5%
Supplier 2	16,3%	43.8	65%
Supplier 3	23.8%	36%	56.3%
Supplier 4	75%	76.5%	79.5%

- All companies interviewed made progress in 2005, often to a significant extent, and are planning further steps.

- At the end of 2005, the OEMs approached an 80% solution level, and intend to achieve this in 2006.

- Suppliers view an 80% solution as realistic only by means of joint measures / processes that start with the product creation process.