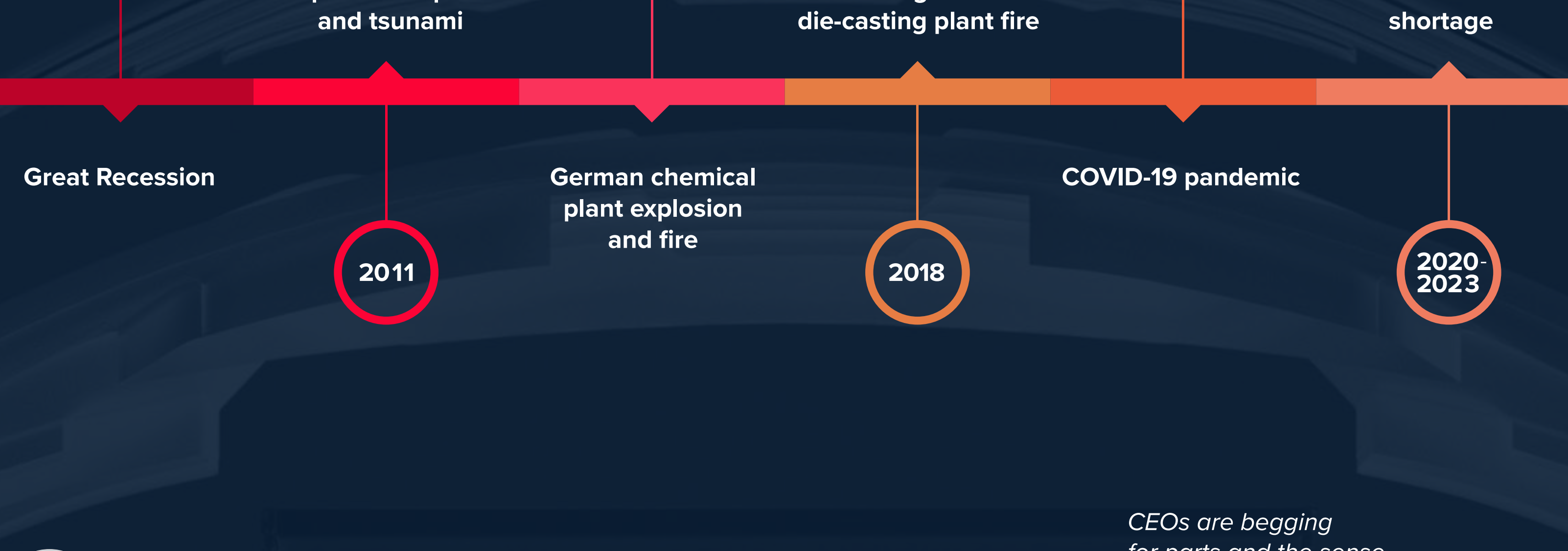


Delivering on the Promise of Delivery

DISRUPTION, RECOVERY, REPEAT

Has the automotive industry learned its lesson about supply chain disruptions?
Or will delivery performance continue to suffer with every new disruption?



“

“With a vehicle that has hundreds of suppliers and thousands of components coming from those suppliers, it only takes one part from one supplier to stop the line.”

Rivian CEO RJ Scaringe¹

CEOs are begging for parts and the sense of urgency to protect continuity of supply has never been greater.²

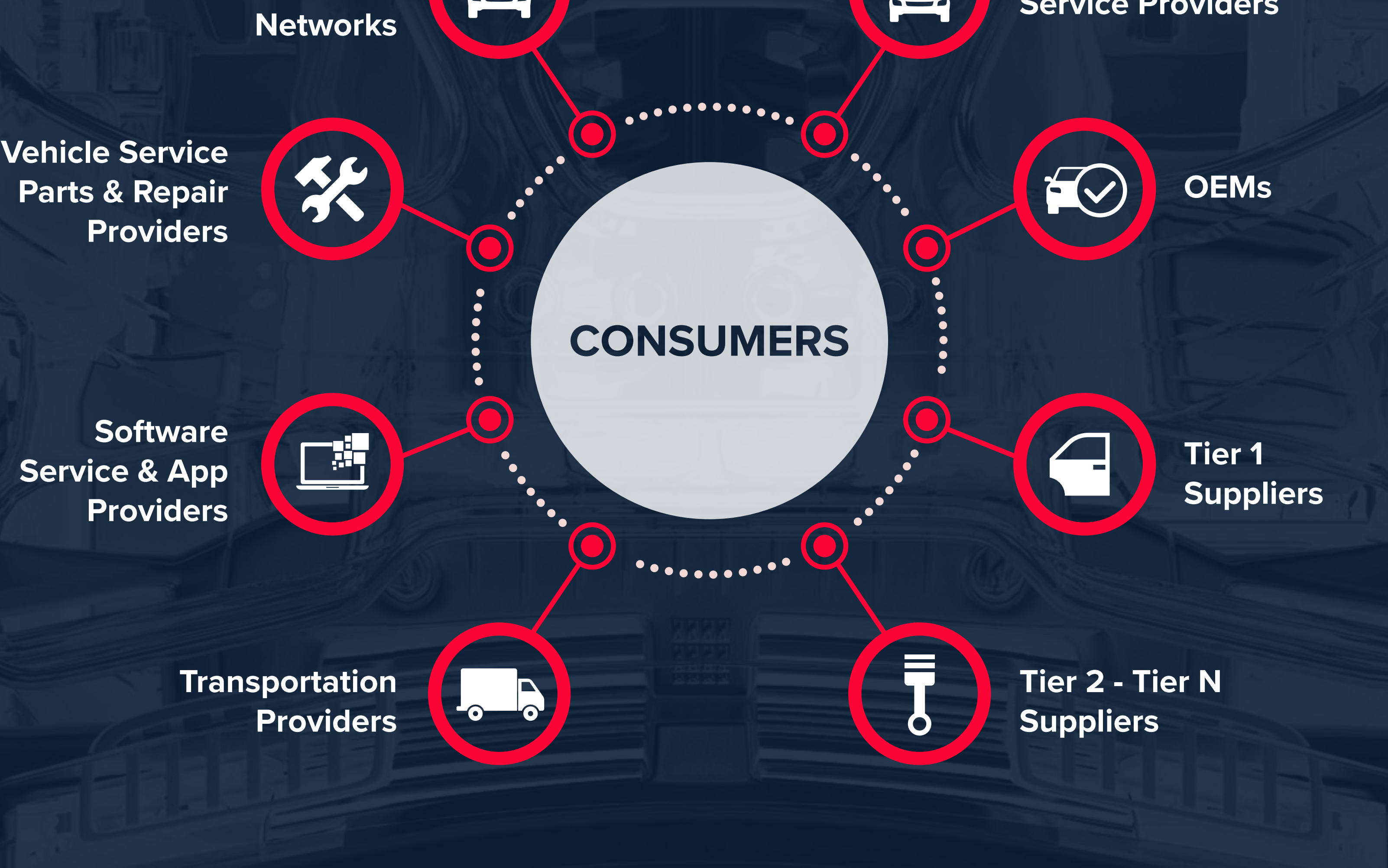
Lead times continue to be unpredictable at best, and typically longer than expected, causing material shortages around the world.³

It's a really tough environment at the moment, but supply chain continuity requires investment from the top down and what organizations really need right now is strong buy-in from top level leadership and management.⁴

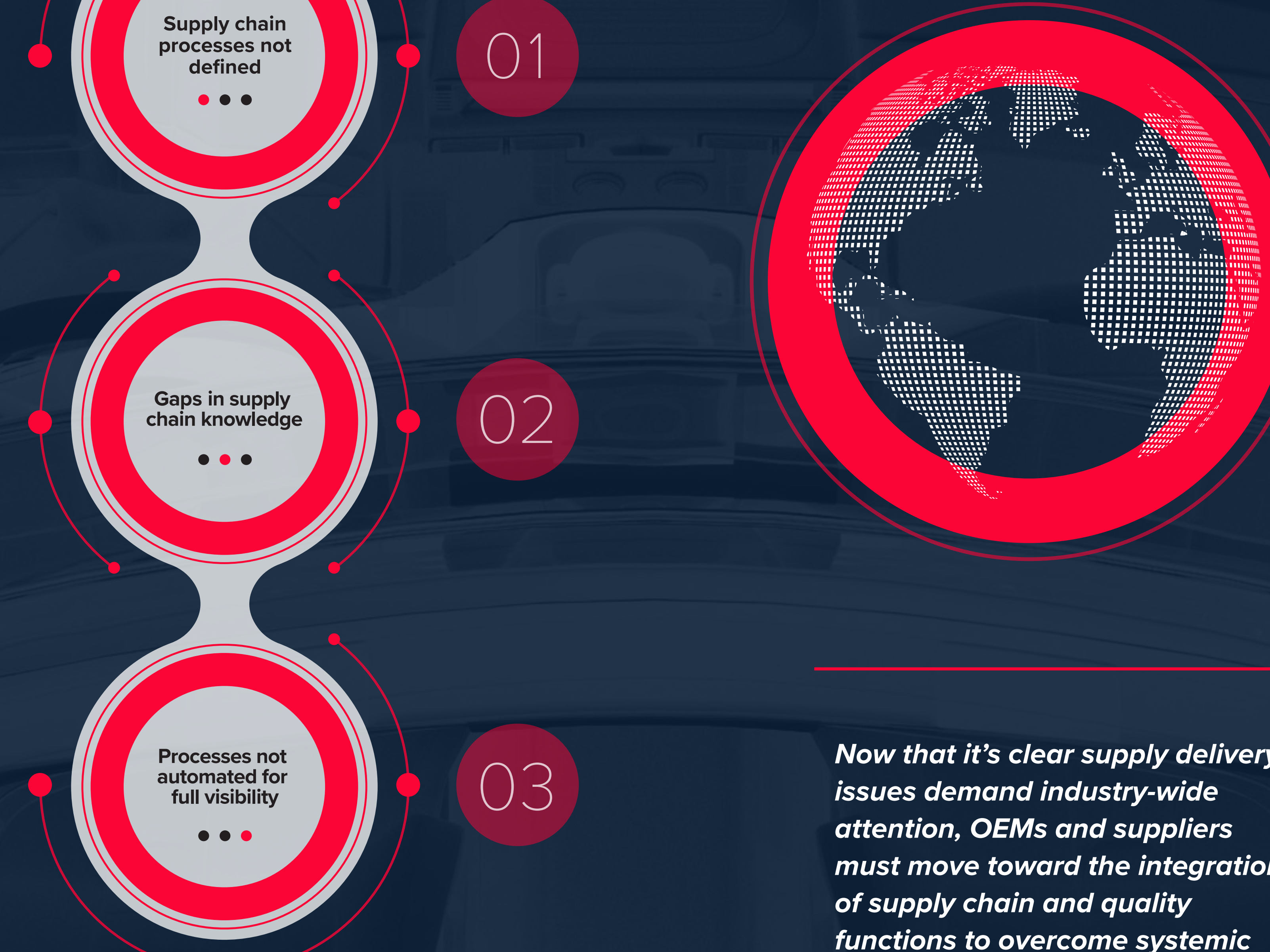
In addition to constant disruption, auto industry business models are rapidly transforming. Consumers are buying vehicles online. The transition to Autonomous Connected Electric Shared (ACES) vehicles is changing the way vehicles are designed, sourced, produced, sold and utilized.

AUTOMOTIVE SUPPLY ECOSYSTEM

To succeed in this evolving marketplace, manufacturers must refocus their operations from manufacturing-centric to supply chain-focused.



What are the root causes of supply chain performance issues that might keep manufacturers from winning in the new, emerging mobility landscape?



Now that it's clear supply delivery issues demand industry-wide attention, OEMs and suppliers must move toward the integration of supply chain and quality functions to overcome systemic deficiencies.

THE INTERSECTION OF SUPPLY CHAIN & QUALITY



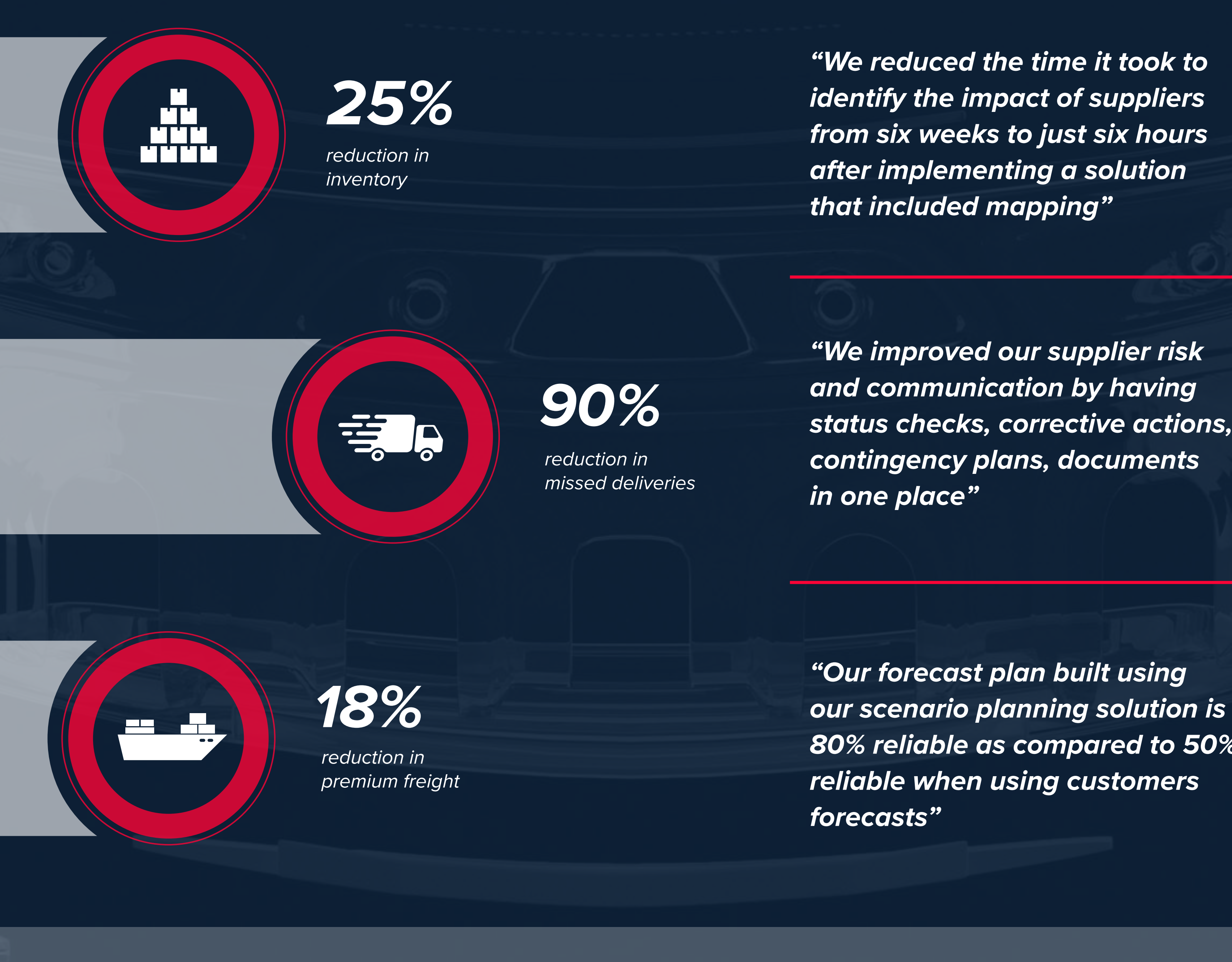
A FIVE-STEP ROADMAP

The way forward to prevent future disruptions from critically impacting the automotive supply chain and costing manufacturers millions in lost production and sales.



This focus will yield significant benefits across an automated, integrated global auto supply chain

BENEFITS OF A SUPPLY CHAIN FOCUS



“We reduced the time it took to identify the impact of suppliers from six weeks to just six hours after implementing a solution that included mapping”

“We improved our supplier risk and communication by having status checks, corrective actions, contingency plans, documents in one place”

“Our forecast plan built using our scenario planning solution is 80% reliable as compared to 50% reliable when using customers forecasts”

The basis for this roadmap, and building a foundation for sustainable supply chain performance, are 24 essential supply chain processes. For a detailed look at the proposed five-step roadmap and the 24 essential supply chain processes, see:

DELIVERING ON THE PROMISE OF DELIVERY:
Toward a Resilient, Sustainable Auto Supply Chain, Part 2, Roadmap

¹ <https://www.businessinsider.com/car-buying-supply-chain-inventory-pricing-dealerships-auto-companies-2023-2>

² <https://www.weforum.org/agenda/2022/10/supply-chain-resilience-manufacturing/>

³ <https://www.plantemoran.com/explore-our-thinking/insight/2023/03/2023s-top-five-supply-chain-issues-ranked>

⁴ <https://www.bsigroup.com/globalassets/localfiles/en-gb/supply-chain-solutions/reports/supply-chain-risk-insights-report-2023.pdf>