

Title: Supplier Vision Conference

The following case study is based on our experiences in a Fortune 100 hi-tech company.

Problem Statement

The process of managing over 60 suppliers, with limited resources was overwhelming. We found that there was inconsistency in our communications to each supplier causing a misunderstanding of the business requirements of our company and multiple directions being taken throughout the supply chain. In many cases, our Suppliers were competitors which made it even harder. Suppliers' working directly with one another was unheard of and non-existent. The results of this process left a negative effect on Customer Satisfaction due to the lack of available spare parts to support the service organization.

Current vs. Desired State

<u>Current</u>	<u>Desired</u>
Mis-Communication	Clear Communication
Multiple Varying Directions	Single United Direction
Suppliers work alone	Suppliers work together
Low Customer Satisfaction	High Customer Satisfaction

Measured Objectives

<u>Starting Point</u>	<u>Big Hard Aggressive Goals</u>
Individual Supplier Communications	Joint Supplier Communication
Multiple Supplier Directions	Singular Supplier Direction
Supplier Individuality	Supplier Partnership
80% Customer Satisfaction Rating	90% Customer Satisfaction Rating

Approach Taken

Initiated a Supplier Vision Conference in which our Suppliers would attend to gain an understanding of our company's future strategy and direction. Suppliers would work with other Suppliers to solve problems, network with Suppliers and company staff, establish action items to be resolved within 6 months and to set goals to be met for the fiscal year. Invitations were sent out to the top 30 Suppliers (in terms of money spent). Key executives from the company were scheduled as speakers. The company's future strategy would be one of the key presentations. A team-building event was also planned. The meeting was set at an offsite location in order to accommodate lodging for the travelers and to ensure the undivided attention of the company's participants. This meeting was the first of many to come!

Results Achieved

1. Joint Supplier communication delivered at the conference
2. Established a single, jointly agreed to direction and goalset
3. Suppliers jointly solved issues to deliver better performance to our Customers
4. Local Level Of Availability rose from 82% to 98% within three years
5. 94% Customer satisfaction rating
6. 98% of invited Suppliers attended the conference, many asked for additional seats

Affirmation

One of the true benefits of the Supplier Vision Conferences was the opportunity to network with the various world-class service providers. We were exposed to best in class programs and jointly worked together to provide next generation service solutions.

One also gained some lasting friendships in the service community.

*Doug Franzen
Senior Account Manager
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Lessons Learned

Our initial conference was very interesting and challenging because many of the Suppliers were direct competitors vying for our business. We were asking them to work together to solve for the best solution for our Customers. Being in the same room at the same time was strange enough, but being asked to work with your competitor to solve a problem was even stranger. As the Suppliers worked together with the company personnel to problem solve, these inhibitions were overcome quickly and the benefits derived were far greater than expected. As we continued these conferences, the Suppliers worked even closer together outside of the conferences. They started to utilize the strengths of these established contacts to solve other Customer issues that did not necessarily involve our company. We even had one company buy another company after they understood the value and strengths of that company. The relationships established within these conferences was built upon trust and mutual value to be gained. This enabled us to quickly change our business model as required to meet growing customer requirements.