

Optimizing cost of quality while meeting OEM requirements

Automakers face challenges

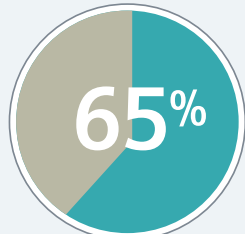
Need for global scale	Increasing regulations	Focus on quality
 <p>>50%</p> <p>By 2030, more than 50% of new cars worldwide will be sold in Asia. <small>(Source: McKinsey & Company)</small></p>	 <p>One in three automotive professionals believes that regulations have affected current vehicle programs. <small>(Source: WardsAuto World)</small></p>	 <p>60 million recalls in 2014 increased quality concerns. <small>(Source: National Highway Transportation Safety Administration)</small></p>

Suppliers feel pressure

 <p>...to reduce costs</p> <p>86% of suppliers report intense cost pressures from OEMs. <small>(Source: Boston Consulting Group)</small></p>	 <p>...to deliver faster</p> <p>OEMs that focus on design, innovation and marketing outsource work to suppliers and seek shorter time-to-market.</p>	 <p>...to improve quality</p> <p>\$100+ million in recall-related costs could cause unbearable financial burden on suppliers. <small>(Source: Claims Journal)</small></p>
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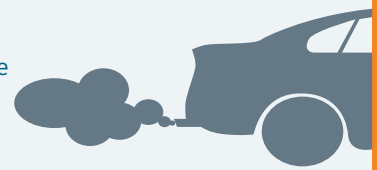
Compliance with quality standards is a productivity opportunity for suppliers

Product compliance with safety-related regulations has a large impact on perceived value.



65%

In 2020, 65% of vehicle added-value content will be due to fuel economy and safety-related regulations.
(Source: McKinsey Analysis)




“For automotive suppliers, process reliability, traceability and compliance with international standards are essential requirements for optimizing quality targets.”

Dean Ding
Manager, Information Technology
Tianjin New Wei San Industrial Co., Ltd.

The Siemens holistic quality solution is key for suppliers that want to achieve their business targets

- > It is critical to have a holistic quality management system throughout the product lifecycle to address manufacturing challenges
- > Quality planning begins in the ideation phase during engineering and design when process optimization can be carried out
- > Quality control continues in the realization phase during manufacturing because measurable production processes are necessary to achieve quality targets
- > Quality is key in the utilization phase as the integrated and centralized exchange of information between customers and suppliers provides major input into the product design process
- > With Siemens QMS software, you can detect risks and failures in design and manufacturing, initiate problem solving and continuously improve your product and manufacturing processes



Leverage a single homogeneous system	Industry expertise
<p>“An integrated quality management system, reinforced by a cross-company software solution, is indispensable in the planning, control and monitoring of process and corporate quality, especially among global enterprises. Individual, standalone solutions can be replaced with a single homogeneous system.”</p> <p><small>Dr. Roland Jochem Professor and Head, Quality Science Department Berlin Technical University</small></p>	<p>Many of the top 100 auto manufacturers have an installed base of QMS products.</p> 