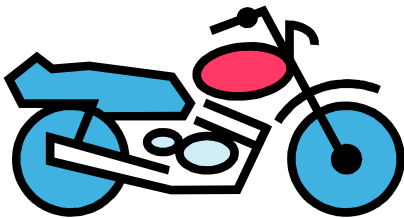


A Motorcycle Manufacturer zips past



The industry is characterized by the presence of a few manufacturers with global scales of operations, having technology partnership with key international players. Having large volumes is critical to being efficient in the procurement & manufacturing areas.

For a player to be successful in the industry a competitive platform needs to be created – some of the key success factors include

Technology: Leadership in technology is an extremely important competitive differentiator. In the absence of a technology partner, technology has to be sourced through key component/sub assembly manufacturers.

Branding: Motorcycles are increasingly seen as lifestyle products. Motorcycle manufacturers are devoting large investments to branding their products.

Cost Efficiency: Most motorcycle manufacturers have large production bases making it easy for them and their ancillary units to be cost efficient.

Client Situation The client is one of the few niche motorcycle manufacturers; having low volumes of production and no technology tie up. It was faced with a situation of increasing input costs, no economies of scale and a need for significant investment in branding and new product platforms.

ECS helped a motorcycle manufacturer increase the value of its spend

CEO's dilemma

- Branding initiatives require significant investments
- Funds have to be generated from internal operations
- Rise in commodity prices are squeezing margins

The Solutions Framework

Set up a structured approach and a client team to unearth opportunities and derive benefits

- Detailed analysis of the business processes to assess product market relationships.
- Detailed diagnostic to identify and evaluate cost reduction opportunities.
- Implementation of quick-win opportunities spread across material purchase, material usage, operations improvement.
- Establishment of systems to control and reduce material wastage's

Benefits:

- Benefits identified to an extent of Rs 9.57 crores on a spend base of Rs 90 crores
- Accrued benefits of over Rs 100 lakhs over the 9 month assignment duration

Restructured the procurement organization based on skill requirements and processes

- Setting up agenda for responsibility, accountability and actionability in their roles
- Streamlining of processes and elimination of Non Value adding Activities

The power of the methodology and approach adopted and benefits from the initiative, were compelling enough for the client to reengage ECS in all its group companies in the area of increasing the value of its spend.

Contact for details

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ECS is a premier business management-consulting firm in India. Its consulting practice covers **Services, Strategy, Operations, Human Resources & Change Management, Supply Chain Management and Full Value Spend.**

We partner all our clients from concept to implementation. Typical results of implementation have been a significant reduction in turnaround time and cost along with increased productivity and reliability of business processes.

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