

From SAP/EDI to Nirvana

SupplyOn Executive Summit 2008

Munich, April 15th, 2008

Satish Kannan, Chief Information Officer tedrive Holding B.V.

About the speaker



Satish Kannan is currently the Chief Information Officer at tedrive Holding B.V. As the CIO he is the member of the senior management team, overseeing the IT operations and process optimization of the entire group. Kannan has deep knowledge and experience in the automotive industry.

Prior to being appointed CIO of tedrive, Satish Kannan oversaw different IT projects managing teams and delivery centers in 3 different continents for reputable automotive suppliers as a Program Director at different tier 1 consulting and IT outsource service provider companies.

Kannan started his Professional Career in India at Citibank and Siemens. In 1997 he relocated to the U.S. and oversaw the service delivery of a range of IT technologies and ERP softwares within various industry sectors. With over 13 years of experience in application oriented IT and project management, Kannan has international management skills and broad based technology and product know-how.

Kannan has a degree in Financial Accounting and Commerce and graduated as a Certified Public Accountant from the U.S.

Contents

Presented here is material that will describe at a high level:

- About tedrive - the company and operations
- Acquisition Challenges
- SAP Implementation
- EDI Implementation

About tedrive (1)

tedrive: an overview

- tedrive develops and produces driveshafts, differentials and steering systems for the global automotive industry. With annual sales of €480 million and 2,600 employees at five locations, tedrive is a flexible mid-sized automotive supplier active on a global level. Established in April 2007, the company operates under the tedrive Holding B.V. umbrella. Its headquarters is located at Heerlen in the Netherlands.

Customers

- OEMs and suppliers to the global automotive sector. (BMW, Benteler, Delphi, Denso, Fiat, Ford, General Motors etc to name a few major customers)

Turnover

- approx. € 480 million Euro



About tedrive (2)

Employees

- Around 2.600 globally

Locations

- tedrive Holding B.V., Heerlen (NL)
- tedrive Germany GmbH, Düren (D)
- tedrive Steering GmbH, Wülfrath (D)
- tedrive Poland Sp. z o.o., Praszka (PL)
- tedrive do Brasil Ltda., Cumbica (BR)

Established

- On 30 April 2007 following the acquisition by SSVP II, a private equity fund, of four chassis production and development facilities from Visteon Corporation



Acquisition Challenges (1)

- tedrive was taking over a very complex and diverse organisation with locations in Poland, Brazil, and Germany
- Specialised applications needed to specifically address the industry needs of a tier 1 automotive supplier (specifically CAD/CAE and EDI)
- On tedrive's side no organization in place that could immediately pick up the acquired assets; some needed to be built up from ground up, such as IT and Accounting
- All contracts and license agreements were centrally negotiated previously with no possibility for tedrive to immediately take over (no transfers allowed)

Acquisition Challenges (2)

- Specialised applications were needed to specifically address the industry needs of a tier 1 automotive supplier specifically around engineering (CAD/CAE tools) and extensive EDI.
- On tedrive's side there was not already an organization that could immediately pick up the acquired assets, this needed to be built up from the divested entity and from ground up, where this was not available on the side of the divesting entity (areas such as IT and Accounting)
- Over 100 legacy applications were used within the above plants
- Setting up EDI connections for over 150 partners

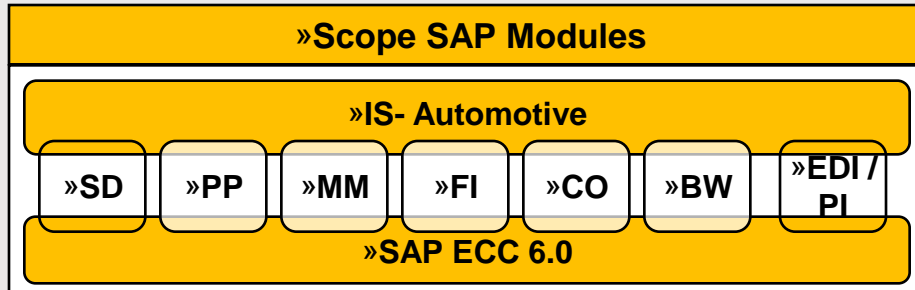
Timing plan - Acquisition to Complete Separation

Start to Finish for the entire scope - 9 Months:

- Complete setup of IT infrastructure (Infrastructure (incl. Servers, Desktops, Networks, WAN and LAN lines etc), Service Desk, End user computing, Applications(local and central), Staffing and policies and procedures ETC). - 9 Months
- Brazil (Implement MFG/Pro and complete separation) - 5 months
- Germany (Implement SAP including full EDI) - 8 months
- Poland (Rollout SAP) - 4 Months

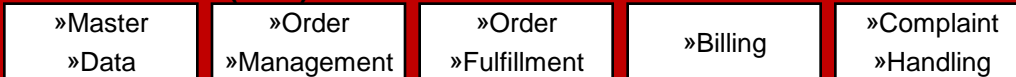


SAP Implementation- High level



Main processes

»Order to Cash (OTC)



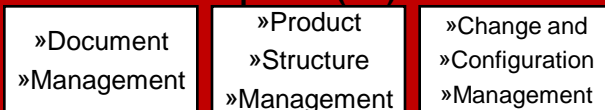
»Demand to Supply (DTS)



»Source to Pay (STP)



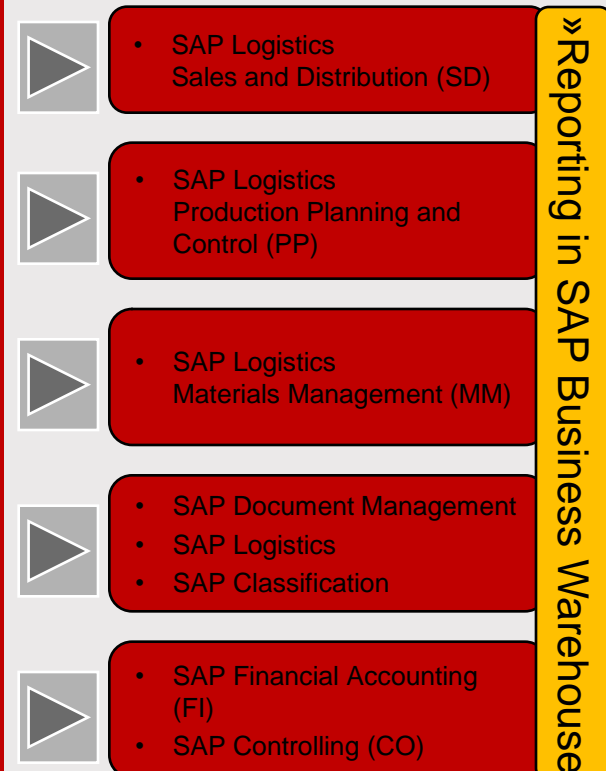
»Product Development (PD)



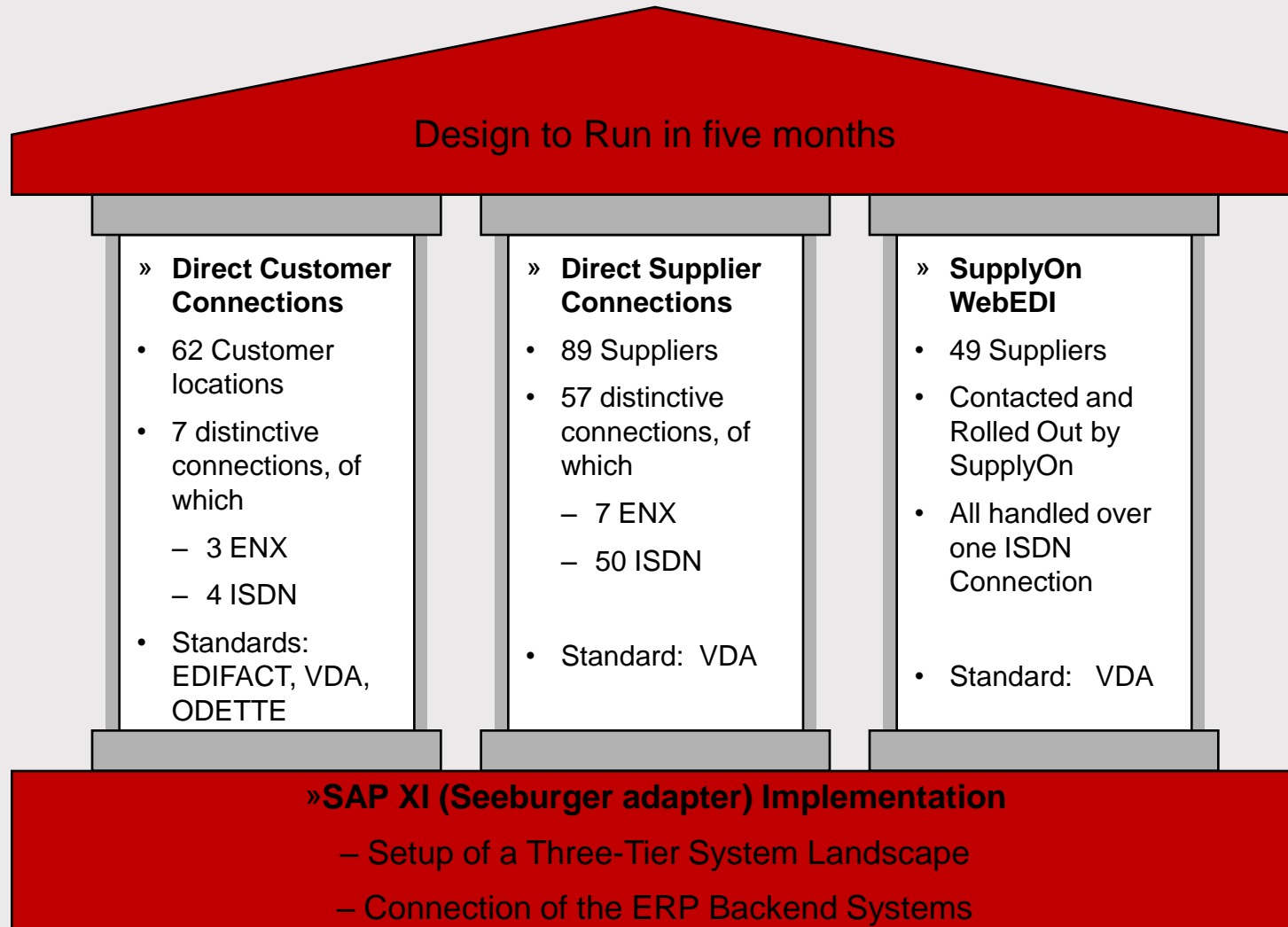
»Finance to Manage (FTM)



SAP components



EDI- Key Figures



tedrive

 Capgemini
CONSULTING. TECHNOLOGY. OUTSOURCING



Thank you for your attention!

Business Transformation at tedrive

SupplyOn Executive Summit 2008

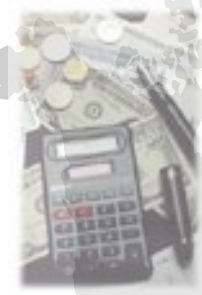
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Jürgen Demske, Head of Automotive Supplier, Capgemini Consulting

With revenues at EUR 8.7 bn per year, Capgemini is the leading European provider of management consulting and IT services

Key information about Capgemini – 2007 figures

Company



- Headquarter in Paris
- Listed on the Paris stock exchange (CAC-40)
- 8.7 bn. € Revenue worldwide (2007)
- Top 5 Global Consultancy
- Two Third of the 500 world-largest companies are our clients

Employees



- >85,000 Employees
- 300 offices in 36 countries
- Largest „European“ Consultancy

Global Sectors – Industry Focus



- Automotive
- Manufacturing & High Tech
- Consumer Products & Retail
- Transport & Logistic
- Energy & Utilities
- Chemicals
- Life Sciences
- Financial Services
- Telecommunication & Media
- Public & Other Services

Global Service Lines – Solution Focus



- Consulting Services (**Capgemini Consulting**)
 - Strategy & Transformation
 - SCM
 - CRM
 - Finance & HR
- Technology Services
 - Process & SAP Consulting
 - Extended Enterprise Applications
- Outsourcing Services

In the automotive business Capgemini is positioned as leading consulting firm

Capgemini Automotive

Automotive Centres of Competence



Facts and Figures

- Over 2,000 automotive experts globally
- Worldwide yearly revenues of 500m EUR
- Industry segment with highest growth
- 13 of the 15 leading OEMs as customers
- Strong presence in global automotive supplier market
- Joint development partner for mySAP Automotive solution; use of Capgemini's Adaptive Automotive Enterprise model as a future reference model for the IS Automotive solution

Selected Automotive Accounts

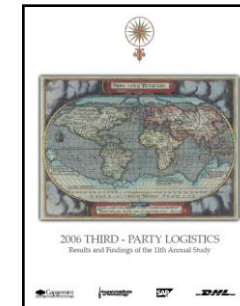


Capgemini Automotive Studies and Events

Automotive Supplier Study



Third-Party Logistics



Cars Online Study



Missing standardization of processes and systems lead to significant efforts in business

Issues which increase effort in business



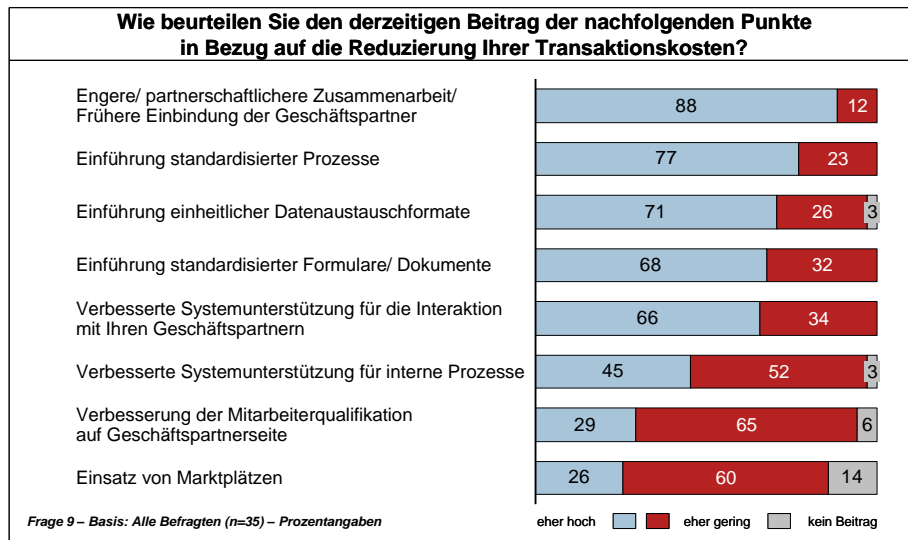
Issues

- **Processes are not harmonized**
- **Systems are not standardized**
- **Information systems are not integrated within a supplier and towards business partners**
- **Roles and responsibilities are not clearly defined**

Source: "Transaktionskostenanalyse in der Automobilzulieferindustrie – Potenziale für effizientere Zusammenarbeit", Capgemini Supplier Study, 2006

Increasing integration of processes and business partners will lead to reduced total effort and higher speed of business

Opportunities which reduce effort in business



Opportunities

- **Partnership and collaboration with business partners**
- **Standardized business processes**
- **Standardized data structures to exchange information**
- **Integrated IT within the organization**
- **Integrated IT towards business partners**

Source: "Transaktionskostenanalyse in der Automobilzulieferindustrie – Potenziale für effizientere Zusammenarbeit", Capgemini Supplier Study, 2006

Capgemini and SupplyOn build a new harmonized and integrated solution with tedrive

tedrive Standard Integrative Process

Process and IT design for tedrive

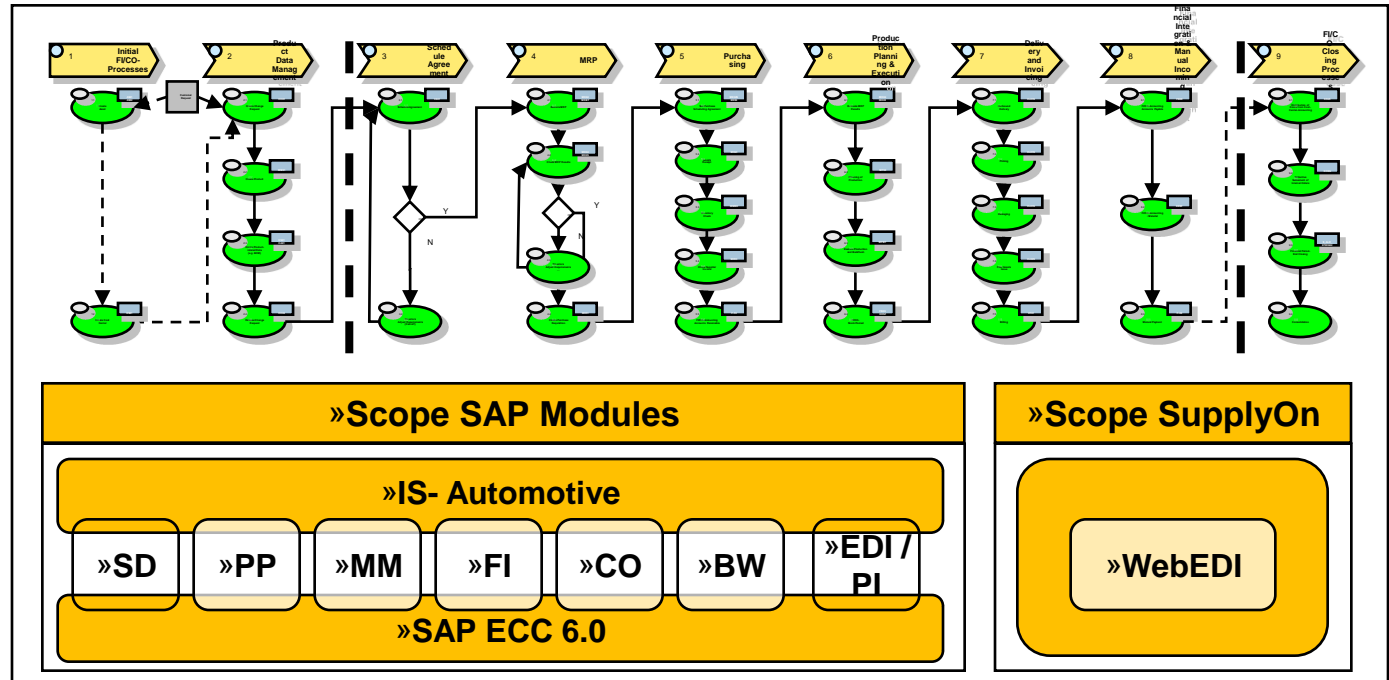
- tedrive **processes** are **harmonized** (OTC, DTS, STP, PDM, FTM)
- **Standard applications** are implemented (SAP, SupplyOn)
- **IT is integrated** within tedrive
- **Communication to business partners** is **standardized** and supported by IT
- **Build-to-Run partners** were asked by tedrive (Capgemini, SupplyOn)

Harmonized processes

- Order-to-cash (OTC)
- Demand-to-supply (DTS)
- Source-to-pay (STP)
- Product-development-management (PDM)
- Finance-to-manage (FTM)

Integrated IT systems

- SAP
- SupplyOn



Stringent management of designed project approach made the project success happen

Success factors for tedrive project

