



## **Automotive Spare Parts**

**Company:** Global Trucks AG

**Field of Business:** Trucks and spareparts

---

The Global Trucks AG is a major producer in the global truck and transport business. They were founded in 1920 and have been switching ownership 4 times in the past 20 years. Due to new CO2 regulations, they are forced to develop more efficient trucks. Their main hurdle is the high amount of working capital, which blocks their innovation capabilities. The main driver of working capital are spare parts. Global Trucks GmbH is required by law to guarantee supply of spares 15 years after the end of production (EOP).

The customer base of Global Trucks AG is worldwide. The company has manufacturing facilities in South America, China and Europe. The warehouses consist of 2 main large facilities, several medium size warehouses and smaller hubs in their main demanding regions. Often though, parts need to be shipped between their locations as the stock varies from warehouse to warehouse.

In the past they purchased parts from suppliers. The CEO was at a trade show and has decided to introduce AM..

A few numbers:

- Cost of purchased parts: on average €100, cost of in-house AM production: €200.
- Cost of warehousing: €20 per year per part on average
- Cost of transport from hub to hub: on average €10
- Average time in warehouse: 5 years
- Delivery time if not in the warehouse: 4 weeks on average

A few pieces of information:

- Machinist 1: 55 years old, conservative, does not like change, has a big mouth
- Machinist 2: go ahead type of person
- Machinist 3: new in company, lacks confidence
- Machinist 4: very quiet, no one knows what he thinks
- Head of Department A is the son-in-law of VP Operations
- Director of Manufacturing Milan is trying to make Milan the most important manufacturing site
- The Head of Dept C used to work for a company that had good experience with AM
- THE CFO only believes in numbers
- The Head of R&D is very old school
- The CEO Is probably is underestimating the difficulty of AM transformation
- The VP of Sales is concerned about delivery times and costs



**Tasks: Create the AM Implementation plan for the Global Trucks AG**

- a) Develop change vision and strategy
- b) Develop AM change team and guiding coalition
- c) Create the change initiative project plan
- d) Force-field analysis
- e) Stakeholder management
- f) Communication plan
- g) Resistance to change