



# Automotive Supplier Excellence Australia Newsletter

Volume 5, Issue #02  
March, 2013

Inside this Issue:

- Director's Message 1
- Industry Forum 1
- SA Update 2
- Vic/Tas/NSW/Qld Update 3
- Best Practice Visit 4
- Automotive Week 4
- Cars of Tomorrow 4
- Grand Prix 2013 5
- Visual Management 6

## Director's Message



As we enter the final two months of the four-year Automotive Supply Chain Development Program (ASCDP), the activities of the Client Managers are rapidly gaining momentum. All projects must be completed before the end of June 2013, and dates for project close-out meetings in June are becoming scarce. To all participants in the program who have not yet scheduled close-outs for your projects, please get with your Client Manager ASAP to lock in dates.

The time for an in-depth analysis of the activities, data, results and value added that has been provided to the industry during the past 4 years has not quite arrived yet, but a preliminary examination of some of the results and information yields some outstanding accomplishments.

For instance, in the four years of the ASCDP ending in June 2013, the ASEA team will have worked closely with at least 87 different Tier 1, 2 & 3 Companies/sites, and will have completed the following:

- 150 Assessments
- 320 Improvement Projects
- 16 Best Practice Visits
- 16 Industry Forums

Across this period, average improvements in key competencies have increased by up to 45% (as detailed in previous Newsletters), and potential savings opportunities of more than \$2 million/company over a 3 year period have been identified and documented by the third party assessment team. By any measures, these are impressive numbers.

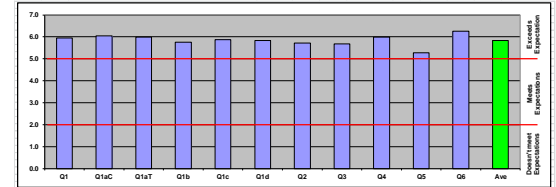
These numbers are important but as those of you who have followed the progress of ASEA would know, it is even more important that the projects have delivered value to the companies we have worked with. This is why we ask for feedback at the completion of each and every project, and we are very happy to share these results. We ask them the following:

Using a rating scale of 1 -> 7, please rate:	
Q1. The overall management of the project process	
Q1a. The Quality & Professionalism of the ASEA coach & Trainer (if different)	
Q1b. The Learning & Knowledge gained for the Participants/Company	
Q1c. The impact/outcomes of the Project as Scoped were delivered	
Q1d. The Project has had a positive impact on the Company	
Q2. The Improvements obtained are sustainable within the Company	
Q3. The Project was well supported by my Company at all levels	
Q4. Another ASEA project could be conducted elsewhere within the organisation	
Q5. As a result of the training/coaching our company would be capable of leading similar projects	
Q6. I would recommend my Company participates in additional ASEA projects	

Our Rating Scale is:

Questionnaire Ratings						
1	2	3	4	5	6	7
Strongly Disagree			Agree			Strongly Agree
Low Support			Acceptable Support			Highly Supported
Did not meet expectations			Met expectations			Exceeded Expectations

And our Results are:



We are immensely proud of these results which tell us that we have Exceeded Expectations for all questions, and would have to conclude that we are in fact "adding value". A comprehensive analysis of all activities will be completed at the end of the program, and a summary will be included in our next Newsletter

In the meantime if you would like to learn more about the activities conducted by ASEA, or any of the other comprehensive programs developed and delivered by ASEA, please contact us directly, or through our website at [www.asea.net.au](http://www.asea.net.au)

## Industry Forum #7 "DIVERSIFICATION - Continuing the Journey"



The relevance and popularity of the topic at the ASEA Industry Forum, that was enhanced based on feedback from the previous Forum, "DIVERSIFICATION - Continuing the Journey" attracted over 75 attendees to the Melbourne Convention Centre on Wednesday 10<sup>th</sup> April, 2013.





Mr. Linsey Siede, Director of ASEA opened the Forum with an update on the ASCDP Round 2, particularly ASEA's activities benefitting Automotive Suppliers over the past 5 years. Mr. Mike Delacorn, Vice President, Manufacturing Engineering & Major Projects, Chassis Brakes International shared with the audience the journey of Bosch Chassis Brakes to Chassis Brakes International.



Mr. Barry Budge from Toyota Australia presented Supplier Development Activities and entertained the audience with two videos "The Toyota Way" and "Toyota Pride". Mr. Geoff Andrews, Director, Genesis Now presented Sustainable Manufacturing - New Market Opportunities.



Mr. Rohan Appleton, General Manager, Precision Plating Pty Ltd and Mr. Jeremy Robertson, Product Development Manager, ZF Boge Elastmetall Australia Pty Ltd presented their respective companies' Diversification stories which were excellent demonstrations of their company strategic plans, and were very well received.

The Feedback collected from the survey at the completion of the Forum cited the best features as:

- Networking with others
- Information presented

- Car Company Involvement - the 3 MVPs representation

The Forum was well attended with representation from Federal and Victorian State Governments, Austrade, ICN Victoria, FAPM and over 25 Victorian Automotive Manufacturing Suppliers.



Thank you to our speakers for their time and efforts in preparing and presenting to the Forum.

*Links to presenter websites:*

- <http://www.chassisbrakes.com/>
- <http://www.toyota.com.au/home>
- <http://genesishow.com.au/>
- <http://www.precisionplating.com.au/>
- [http://www.zf.com/corporate/en/company/locations\\_worldwide/asia\\_pacific/australia/index.html](http://www.zf.com/corporate/en/company/locations_worldwide/asia_pacific/australia/index.html)

### South Australia Update

In Round 2 of the Automotive Supply Chain Development Program (ASCDP) in South Australia, there have been 18 projects completed, with a further 19 projects active at this time.

All participants are reminded that ASCDP Stage 2 funding ceases on 30<sup>th</sup> June 2013, and all projects must be completed before that date. As the program concludes on this date, there is no room to move.

Recently we conducted a Best Practice Visit to REDARC Electronics which is covered further on in the Newsletter.

In Late May there will also be an ASEA Forum in South Australia, which you will all be notified in due course.

Effectively because of the timeline to completion required, there will be no more new projects commenced.

The current distribution of all Round 2 Projects is as follows:

• People and Performance	32%
• Manufacturing and Quality	14%
• Financial systems and Practices	24%
• Management and leadership	24%
• Supply Chain Development	6%

In these general groupings there are 7 (19% overall) energy efficiency and usage projects, 4 of the energy diagnostic stages have been completed.

For further information about the ASCDP, BCSP programs, or ASEA activities, please contact:

Peter Cesco      Mobile: 0422 006 111  
 Email: [cescop@optusnet.com.au](mailto:cescop@optusnet.com.au)

• Energy Reduction	32%
• Manufacturing and Quality	29%
• Strategy	9%
• People & Performance	8%
• Diversification	10%

Other competency areas:

• Sourcing	4%
• Finance	5%
• Safety	2%
• Waste	1%

The breakdown of projects by competency is very similar to that reported previously in the January issue of the ASEA newsletter, with Energy Reduction following by Manufacturing & Quality being the largest areas of project activity. These project areas plus other project activity are assisting companies to be more efficient.



Mr. Darren Spinks, Managing Director, Precision Components and Mr. Peter Cesco, Client Manager, ASEA, South Australia

There is a steady number of Diversification Projects being undertaken where companies define their unique and advanced competencies and then identify, investigate and pursue potential products/services in the non-automotive sector. These diversification projects are assisting companies to build on their efficiencies as they seek to be more effective.

There are 16 companies that are actively involved in the program having completed multiple projects as well as undertaking their third ASEA assessment. By completing multiple assessments these companies can demonstrate improvements in their businesses over the past few years plus identify further opportunities for improving activities.

The ASEA Program has enabled companies to undertake improvement projects that would not have been possible in this extremely challenging automotive environment.

### Victoria/Tasmania/Queensland/New South Wales Update

There is only 10 weeks to go before the completion of Round 2 of the ASCDP. Participating companies in Victoria, Tasmania, Queensland and NSW have now completed 74 projects with an additional 53 projects currently underway. Of the 53 open projects more than 60% are in the final stages of completion with the remaining 40% on a tight timeline for completion by June 30<sup>th</sup>.

For further information about the ASEA Program contact:

Peter Taylor, Email: [peter.taylor@asea.net.au](mailto:peter.taylor@asea.net.au) or  
 Tom Chappell, Email: [tom.chappell@asea.net.au](mailto:tom.chappell@asea.net.au)

The most popular project competency areas are:

### ASEA Best Practice Visit February, 2013



Representatives from ASEA participating companies with REDARC employees

On Tuesday 26th February, 2013, nine visitors from companies participating in ASEA programs were welcomed to REDARC in Lonsdale, South Australia.

First they were given an overview of the REDARC organization in their state-of-the-art Board Room, followed by a process of “de-electrifying” themselves to walk safely through the plant.

The plant tour took them through their production, assembly and warehousing facilities followed by a comprehensive look at the amazing electronic robotic assembly lines.

Noticeable attributes about this plant is the organizational structure of the Company, displaying their employees “Years of Service”, cleanliness, continuous improvement, culture quiet working environment, magnified equipment for ‘minute’ parts work/assembly and process in design, continual business growth development, and finally a “family” environment that is respectful each other.

REDARC will be looking to further improve the ‘5S’ and Kanban processes in the near future.

Many thanks to Mr. Ben Marsh, the National Sales and Marketing Manager and his team, who gave up their afternoon to share their learnings and best practices with the ASEA delegates.

[www.redarc.com.au](http://www.redarc.com.au)

**The next ASEA Best Practice Visit - 9:15am 17<sup>th</sup> May, 2013 - Futuris Automotive Interiors (Australia) Pty Ltd, Campbellfield, Melbourne, Victoria. Diarise the date! Invitations will be distributed soon!**

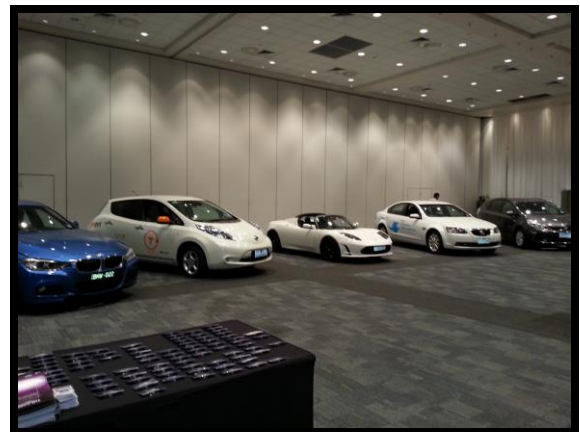
### Automotive Week 12<sup>th</sup> - 20<sup>th</sup> March 2013

Automotive Week in Melbourne proved to be a very eventful period for the ASEA Team with many meetings and events that required representation. With Government representatives and both Interstate and International Automotive people visiting Melbourne for the various Automotive Week Events, it was a particularly good opportunity to network.



Mr. Will Angove, Automotive Supplier Advocate and Mr. Tom Chappell, Client Manager, ASEA at the FAPM Cocktail Reception, 13<sup>th</sup> March, 2013

### The Cars of Tomorrow 2013: Melbourne Parks Function Centre - 14th March 2013



RACV Sponsored Electric Car Display

Building on the success of previous years, AutoCRC in conjunction with Future Climate Australia and SAE-A were pleased to bring an inspiring line up of

international and local speakers and panelists addressing the myriad issues that continue to impact on our automotive industry today. A unique conference focusing on the ever changing auto industry and mobility of the future: the issues we face and the opportunities we can find.

and high-tech Companies, including 3 key ASEA participants. Some comments from the participating companies are included below.



Mr. Jim Walker, AutoCRC CEO

### 2013 Formula 1 Rolex Australian Grand Prix 14<sup>th</sup>-17<sup>th</sup> March, 2013 AutoCRC/ASEA Sponsored Chalet



An inside view of the Chalet

A new initiative by the Victorian State Government this year was the "Innovation Precinct" at the F1 Grand Prix.

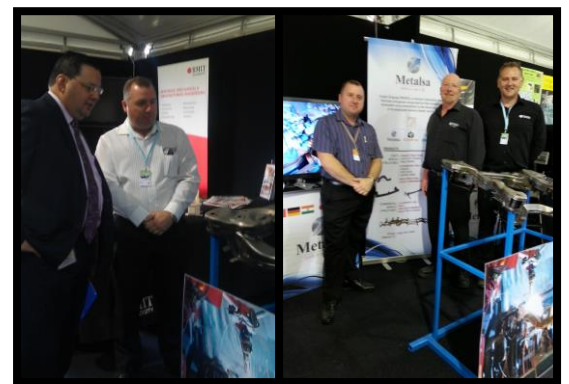
This outstanding concept proved extremely popular, attracting thousands of visitors to the many different displays and events making up the comprehensive program of activities.

A key part of the program was a technology display that incorporated a number of different Universities



L-R : Brad and Nathan

"This year New Touch Laser Cutting had the pleasure of attending the Melbourne GP as an exhibitor in the ASEA pavilion. Thanks to the hard work and professionalism of ASEA not only did we get a unique opportunity to showcase our services and capabilities but we also had a fantastic time which has resulted in several new leads". Mr. Brad Drury, Managing Director



Left : Mr. Craig Ondarchie, MLC Northern Metropolitan with Mr. Mark Pipunic, Commercial Group Manager, Metalsa and Right : R-L Mr. Mark Pipunic with Mr. Charles Ralfe - Tooling Manager and Mr. Phillip Brown, OHS & RTW Coordinator

"This is the first time that Metalsa Australia has been involved in a public display like the Melbourne Grand Prix Industry Chalet (14<sup>th</sup>-17<sup>th</sup> March). We had 10 personnel man the display over the 4 day event, all reported positive feedback from both the public and other exhibitors. Many leads were generated and

opportunities for collaboration with other firms were identified. All the Metalsa participants agreed it was a worthwhile exercise.” Mr. John Austin, Business Development Manager



**AMG Erebus Motorsports V8 Supercar drivers signing posters at the 3M stand**

“3M clearly saw this as a great opportunity to create awareness for our developing technology PPF (Paint Protection Film) and were genuinely excited by the opportunity to participate as a partner with AutoCRC/ASEA.”

“Our presence at the 2013 Grand Prix we believe was an enormous success and estimate that we had at least a thousand visitors to the stand from all over Australia each day and everyone who saw the unique properties of the film were incredibly positive and excited about having it applied to their own vehicles.

During the event, we had a number of politicians visit the stand as well as industry experts, car group presidents and of course, all three of the AMG Erebus Motorsports V8 Supercar drivers made an appearance and signed autographs to the crowds that followed them to the 3M stand.

We had hundreds of enquiries of where to buy PPF, all of whom were referred to our website to find an applicator in their area. We are starting to see a steady climb in our website hits and expect to see these metrics increase further over the coming weeks. All in all, this was a very successful event for 3M Paint Protection Film and we look forward to being present at the 2014 Formula 1 Australian Grand Prix.” Mr. Greg Robinson, Sales & Marketing Manager, 3M Automotive Market Centre

### ASEA Visual Management Wall



Since 2010, the ASEA Team has implemented “Lean practices” with the Visual Management Wall in the ASEA Office, which is updated regularly to keep a focus on the growing number of completed assessments, initiated improvement plans and completed key milestones. Visitors to the ASEA Office can see the process used for tracking projects from the Assessment Phase through to completion, as well as other important Achievements/Milestones.

As the current program is coming to a close the “green” represents the milestones achieved from assessment phase through to project delivery with very complimentary results. As at 31<sup>st</sup> March, 2013, Company Assessments completed - 85 which is well beyond the target milestone of 56 and Projects Implemented totaling 217 also surpassing the target milestone of 120.



**L-R: Mr. Linsey Siede, ASEA Director, Mr. Will Angove, Automotive Supplier Advocate and Mr. Jim Walker, CEO AutoCRC**