Special Report
Special Report
Special Report
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Internal Data Management

Critical Program for the Automotive Aftermarket Supplier

Table of Contents

Executive Summary

Automotive aftermarket suppliers manage more types of data than other manufacturing industries due to the added complexities of automotive applications. They must collect and make decisions based on inventory, product, vehicle application, sales, warranty, pricing, market research, engineering and many other types of data. Successful data management is required to make intelligent and timely business decisions. Strategic internal processes, an enterprise-wide commitment to the concept and creative technology solutions are required for the optimal use of data.

This paper depicts the impetus for and benefits of implementing a program to manage critical data across a manufacturer's operations. It was developed for the members of the MEMA (Motor & Equipment Manufacturers Association) Information Services Council (MIS Council), which is an organization of information technology (IT), information service (IS) and e-commerce executives from automotive aftermarket and heavy duty parts suppliers.

IDM is the discipline of collecting, normalizing and managing critical operational and product data within an organization's domain.

The Case for IDM

There has been a substantial amount of discussion in the automotive aftermarket regarding the need to improve processes to reduce costs in the supply chain. Improvements will help the independent aftermarket remain competitive in a challenging business environment. A critical component of successful supply chain processes is the optimal utilization of e-commerce technology fueled with accurate, timely and synchronized data that is shared between channel partners.

Accurate, timely and synchronized data is a worthy goal, but the prerequisite to good product and transactional data is an optimized method of dealing with data housed by the data originators – the manufacturers. Internal data management (IDM) is the discipline of collecting, normalizing and managing critical operational and product data within an organization's domain. This goes beyond product data and includes inventory information, production capacity, market research, pricing and essentially any data that management requires to make daily and long-term business decisions and data required to fuel supply chain processes.

According to Jeffrey Marshall, director of business development for Pricedex Software Inc., IDM is often used as a euphemism for a Data Warehouse, and a simplified definition is "the organization of internal data in a structured format, developed for ease of use and reference." Marshall also puts forth a thoughtful business definition, "IDM is a process by which a company takes inventory of its data and data sources and centralizes the management of its own 'internal data map' to deploy knowledge sharing and knowledge management across its enterprise."(1)

When one considers the complexities in managing a profitable aftermarket supplying business, the need to access real-time information becomes obvious. In addition to the

manufacturing issues many industries face, i.e. production schedules, managing the flow of raw materials, personnel, equipment maintenance, etc., aftermarket manufacturers deal with the seasonality of markets, the vehicle application environment, and designing and manufacturing parts to fit areas with dimensions that have changed since they were originally built. Managing and balancing the multiple departments, processes, customer requirements and applications required to produce and deliver quality parts necessitates visibility to critical data.

The inability to access accurate data prevents critical business areas from performing at optimal levels. Areas affected typically include all customer-facing processes, forecasting/planning and production. MIS Council members overwhelmingly indicated in an October 2006 data management survey that dealing with customers and sales are the most impacted areas by data management – whether good or bad.(2)

Table 1 – Business Areas Most Impacted by Data Management

Business Areas	Percent
Customer relationships	76.9%
Sales	71.8%
Delays in getting data to customers	66.7%
Internal costs	56.4%
Delays in getting product to customers	43.6%
Other	5.1%

Percent of respondents indicating which areas are most impacted by good or poor data management(2)

Unfortunately, the culture found in most aftermarket suppliers does not promote or support the seamless sharing of data among data owners. More than half of the MIS Council survey respondents indicated they do not have nor have planned an active IDM program to improve the way they collect, integrate and manage product information. Also, suppliers have been slow to implement applications that facilitate the sharing of data and convert the myriad of formats to a common one. In fact, 85 percent of the survey respondents have not documented the impact poor data management practices have on their companies (see figure 1).

Figure 1: Impact of Poor Data Management

15.4%

84.6%

■ Yes
■ No
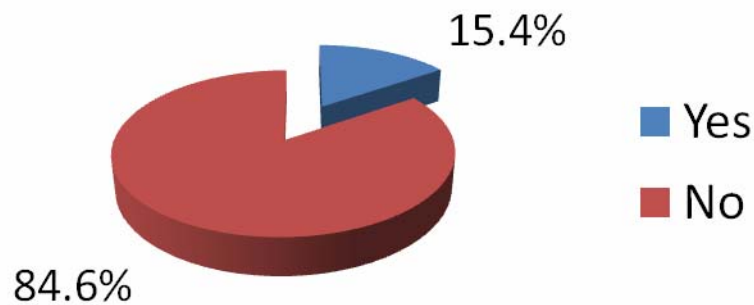
Responses of MIS Council members to the question of whether their companies have documented the impact of poor data management practices have on one's business(2)

Typically, various data are generated by or housed in various systems. There are numerous islands of data that are not connected in any way and support only the people on the respective islands. According to The Meta Group,

> *These systems tend to focus on the support and improvement of a single set of business process silos, and many of these applications use standard relational databases as the repository or index for product content. This leads to the lack of a single source for all product data (e.g., description, price, units) and content (e.g., images, documents, rich media, XML), which is the experience of most organizations.(3)*

IDM is more than simply throwing a new software package at an overwhelming pile of data. Employee attitudes, data mapping, executive dashboards, customer requirements and executive support comprise successful IDM programs. Software applications are required to collect, translate, analyze, display and store data, but software is a tool and requires strategic business processes and employee training to support effective IDM.

A significant concern in the aftermarket is an increase in the number of mandates by resellers for suppliers to provide specific data formats. While meeting customer requirements is a necessary exercise, it tends to force suppliers to focus on external data needs, which minimizes or eliminates any focus on the critical area of internal data.

According to The Yankee Group,

> *Few [companies] have gone about it the right way, preferring to invest in external data synchronization and ignoring the much more difficult task of laying the groundwork and internal infrastructure for supporting good product information. A problem of this magnitude requires a holistic system for centralizing item information as well as capabilities for aggregating item data*

IDM is more than simply throwing a new software package at an overwhelming pile of data.

*from back-end systems, automating cross-functional item management
workflows and enabling data transformation and syndication.(4)*

Data synchronization focuses on preparing and cleaning product and transactional data to agree with and be used by trading partners. It is an externally focused process. IDM is broader and focuses on the cleaning, synchronizing and formatting of data that should be made visible to multiple people or disciplines within an organization. This is why it has been tabbed by some as Internal Data Synchronization.

FullTilt Solutions describes the experience of an automotive aftermarket company,

*Product Managers were wasting time finding, cleaning, completing,
harmonizing and formatting data to send out to multiple channels such as
print catalogs, electronic catalogs, customer setup sheets, customer requests,
management reporting and for loading their multiple ERP systems. There was
also no way to track the status of their New Product Introduction process
which led to bottlenecks, a lack of compliance and a failure to meet launch
dates.(5)*

Andy Fedun, executive vice president of sales for FullTilt Solutions, provides a vision of the ultimate goal of an IDM project. "When product data is changed at the source – by the engineer or product manager – the change should systematically update your catalog, Web site, your trading partner's catalog and every other place it's used."

A growing number of manufacturing companies are evaluating or implementing service-oriented architecture (SOA) environments, which utilize networks and servers to provide hosted applications for internal users across an enterprise. SOA will enable the exchange of data between employees, departments and software applications to become more seamless and free flowing. This places a higher priority on data quality, since it has visibility by and can be converted to formats that can be used by various owners and applications.

IDM is required to fully take advantage of electronic product code (EPC) technologies and standards. EPC includes bar coding, data synchronization and RFID applications and continues to grow in use among most industries with a strong retail sector. While the traditional aftermarket has been slow to adopt RFID, many aftermarket suppliers are conducting data synch transactions with big box retailers through data pools and using the Global Data Synchronization Network (GDSN). Whether a supplier decides to move forward with EPC initiatives to streamline its operations or it is forced to do so by a large customer, IDM is essential to preparing the product information data pools and RFID networks require.

Benefits

Potential benefits to a successful IDM implementation are numerous and depend on how varied the product mix is, how many disparate systems the company has, customer e-commerce requirements, whether there is a recent history of mergers and acquisitions, etc. An IDM Focus Group was conducted during the 2006 MIS Council Fall Conference and was facilitated by Dr. Mitch Javidi, CEO of Digiton Corp.(6) Participants in the Focus Group developed a comprehensive list of possible benefits, including reduced returns, increased sales, reduced costs and one version of the truth.

Table 2: Potential IDM Benefits

Increased profits	Increased sales	Improved customer service
Reduced returns	Time to market	Improved margins
Improved systems management	Improved accounts receivables	Faster application deployment
Reduced costs	Improved fill rates	Business intelligence
Consistency	Improved internal processes	Better capacity planning
Better product planning	Improved job productivity	Improved communications
One version of the truth	Improved internal collaboration	Optimized use of CRM applications

Potential benefits of a successful IDM program as identified by participants in an MIS Council IDM Focus Group in October 2006(6)

The 2006 MIS Council survey provided insight into what aftermarket IT professionals expect to gain from better data management practices.(2) The elimination of redundancies and missing data was clearly the number one desired outcome, while standards compliance, improved customer relations and streamlined internal data handling processes also were rated as highly important.

Table 3: Desired Outcomes of IDM Program

Specific Goals or Outcomes	Percent Indicating Benefit
Improved data, eliminate redundancies, eliminate missing data	94.4%
Simplify compliance with industry standards	88.9%
Improved customer relations	83.3%
Streamlined internal data handling processes	77.8%
Overall cost reduction	72.2%
Reduced time to market for product data	66.7%
Increased sales with existing customers	61.1%
Simplified catalog production	61.1%
Elimination of support of disparate systems	61.1%
Improved management capabilities	55.6%
Enhanced value of existing product offerings	55.6%
Expanded customer base	38.9%

Goals or desired outcomes to implementing IDM program. 2006 MIS Council Survey by Digiton Corp.(2)

A large percentage of survey respondents indicated that streamlining internal data handling processes is a targeted goal for IDM programs. This clearly is because a significant amount of resources are required for manual data corrections and normalization, manual entry and re-entry, and manual utilization of the data for business decisions. The elimination of these processes would generate tremendous efficiency improvements.

While only 55.6 percent of MIS Council members indicated that improved management capabilities should be a desired outcome of an IDM program, a growing number of manufacturers across all industries are developing dashboard applications that serve business intelligence information to management in real time. Dashboards take full advantage of data that has been normalized across different sources and presents multiple key performance indicators to strategic users. When this type of data can be used to make real-time decisions, data can be communicated to customers faster, operations can run more efficiently, a better mix of products can be produced and parts will get to customers faster. The aftermarket is very slow to adapt dashboard technology, to some extent because of a lack of IDM. This is reflected in the MIS Council survey, which revealed that only 15 percent of the participating companies have dashboards in place.(2)

**Figure 2: Aftermarket Companies with
Executive Dashboards**

15.4%

84.6%

■ Yes

■ No
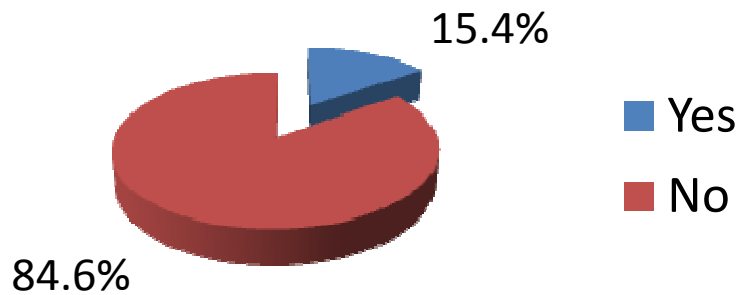
*Responses of MIS Council members to the question of whether their companies have dashboards
in place that enable executives to view data collection and management status in real time(2)*

Data Locations and Formats

The magnitude of internal data problems may not be obvious at first, but a careful
evaluation of the current data situation throughout a manufacturer's enterprise may be
alarming. It is critical to identify all possible locations and formats of data to help
establish how involved the collection and translation of data will be. The MIS Council
IDM Focus Group produced a list of data locations – internal and external – and formats
that will help companies begin the process.(6)

Data Types	
• Engineering designs	• Defect rates
• Product lifecycle	• Returns
• Line drawings	• Forecasting information
• Price sheets	• Customer point of sale (POS)
• Raw material inventory	• Product information
• Finished goods inventory	• Catalog application
• Digital assets	• Transaction history
• Web content	• Customer information

External Locations	
• Web servers	• Customers
• Suppliers	• Data partners
• OEMs	

Internal Locations	
• ERP system • Product engineering • Warehouse management system • Accounting	• Sales forecast systems • People • Catalog • PCs, laptops

Data Formats	
• Excel in various versions • Word documents in various versions • Paper • Manufacturer product number system • Databases in various formats	• Customer product number system • HTML • ASCII • XML • PDF

MIS Council members indicated that they would like to improve their management of pricing data more so than other areas. Chart 2 depicts the types of data they would like to better manage.(2)

Table 4: Targeted Data Types

Data Type	Percent Indicating
Pricing	79.5%
Special pricing	69.2%
Customer e-commerce requirements	59.0%
Technical specifications	53.8%
OE applications	51.3%
Images	46.2%
Part numbers	43.6%
Transaction/sales history	30.8%
Line drawings	23.1%
Other	5.1%

Percent of respondents indicating types of data MIS Council members would like to better manage(2)

Implementation Barriers

There are multiple reasons aftermarket suppliers have not quickly moved toward internal strategic data management programs. As mentioned previously, immediate e-commerce data requirements of customers consume suppliers' resources. Obviously, customers are critical, but the lack of focus of internal data issues magnifies and ultimately creates data synch problems with customers.

A lack of resources is not the only challenge facing suppliers. A lack of understanding of the problems caused by poor internal data management, poor collaboration across business units and support departments, poor IT governance and disparate systems also minimize the ability to develop and implement a data program.

A significant barrier to seamless data visibility is the limitation of how much customer information is made available to disciplines throughout the enterprise. Aftermarket resellers dictate, in most cases, the types of catalog, product and transactional data suppliers must provide. 69 percent of MIS Council members stated that sales does not effectively communicate customer e-commerce requirements to all affected departments.(2)

Survey results also indicate major challenges coming from the vast number of differing data formats, sources and owners. Aftermarket manufacturers have departments and business units with different requirements and create or purchase custom applications to meet those needs. This is done, in many situations, independent of other divisions and units. Mergers and acquisitions throughout the industry add to the individualization of applications and data. Collecting and aggregating inventory from disparate systems is quite the challenge. For example, one department's inventory data includes only manufacturer part number and quantity while another department's data includes manufacturer part number, customer part number, bar code information, quantity, interchange data, etc. The utilization of different, or non-existent, data standards for nomenclature create additional complexities of normalizing data across data sources.

The MIS Council survey revealed that a lack of internal resources is the primary challenge to IDM programs for aftermarket manufacturers with 74 percent of respondents listing this as the top barrier in optimizing data management (see Table 5). It is somewhat surprising that only 15 percent indicated that the lack of a business case to justify a program prevented implementation. The majority of survey participants evidently do not have problems with presenting the value of IDM to management but experience difficulties in securing adequate funding for programs.

Table 5: Barriers to Optimizing Data Management

Implementations Barriers	Percent Indicating Barrier
Lack of resources	74.4%
Day-to-day requirements take priority	64.1%
Vast number of data formats, sources, owners	61.5%
Lack of executive support or buy-in	25.6%
No business case or justification	15.4%

Challenges listed by MIS Council members to optimizing the management of data(2)

How to Implement an IDM Program

Obviously, companies and their internal processes vary, but there are some basic steps that most organizations should take to launch and sustain a successful IDM program. The following are best practices for implementing IDM (listed in chronological order):

1) *Evaluate current situation/environment*
   The logical place to start is to identify the current status of data utilization to determine how severe the problem is. This could be accomplished through surveys of data owners throughout a supplier's enterprise, by analyzing the number of discrepancies in EDI transactions with customers, reviewing the number of "holes" in catalog data reported by customers, determining how frequently data is re-entered manually and asking managers how many times they ask for new reports to be generated.

2) *Identify needs and establish goals*
   Careful research and evaluation of the current situation should expose any issues that cause inefficiencies with internal and supply chain processes, which should provide a basis for determining desired outcomes.

3) *Build case / justification for program*
   Approvals for new programs and expenditures are difficult to secure and defend and rightly so in today's environment of low margins. This requires a careful evaluation of the goals, benefits and costs. Benefits have already been depicted in an early section of this paper, but some of the more financially tangible benefits include reduced costs for catalog and product data preparation, reduced inventories due to better real-time decision-making capabilities and reduced resources required to manage multiple data formats and sources.

4) *Develop buy-in*
   IDM programs will only be successful if supported by corporate executives, business unit leaders, operations managers and the complete IT staff. Keep in mind that data is owned by employees across all divisions and departments, and there will be some "pain" in adopting procedures and possibly learning new

software applications. Therefore, corporate-wide buy-in and executive support are requirements.

5) *Identify data sources/owners*
Research and investigation will be required to identify the location of all pertinent data. Catalog, customer service, sales, marketing, manufacturing, transportation, engineering and warehouse departments all house data required to fuel effective IDM models. Typically the IT or industrial engineering staff would map the creation and flow of data, which establishes a starting point and metrics to measure progress.

6) *Identify data formats*
Some departments use Word, some use Excel, some use CRM applications, some use Access, others use "home-grown" applications and others use online hosted software. IT should create maps that convert the data to common formats that can fuel data analysis and populate executive dashboards and customer e-commerce applications.

7) *Develop new processes for data management*
Typically the industrial engineering staff would work with the IT department to map processes that would ensure the correct data is converted to the common format, housed in the appropriate servers/databases, analyzed by the most appropriate data applications and presented to the employees who need access to it. A stringent data governance program, which includes standard policies on how to utilize, enter and maintain data, should be implemented. A quality assurance program, similar to that used for automotive parts, can be adapted for data accuracy and consistency.

8) *Select solution(s)*
IDM solutions (see Solutions below) can be "home grown," purchased or rented. The approach to selecting the solution should align with corporate and IT philosophies and ROI guidelines.

9) *Implement new solution*
Developing or purchasing an application is one thing, but training staff and launching a new IDM solution is another. This requires executive input, testing, backups, mapping and training.

10) *Develop review/monitoring system*
It is critical that progress is measured to ensure the IDM program continues to perform as originally promised and to evaluate when ROI is achieved. It also helps ensure all critical data is identified and included in the program. Manufacturers should consider appointing a point person to measure data accuracy and implementing processes that ensure data remains accurate. Root-cause analysis tools can be applied to identify sources of data inconsistencies, and other tools can be used to correct the problems.(7)

Solutions

PIM

Product Information Management (PIM) is a term used differently by different people, but in general it is an approach to collecting and managing data that describes products. It is more limited in scope than IDM but can be an integral element of IDM. According to the Yankee Group,

> *PIM solutions typically include a central repository as well as capabilities to aggregate item data from back-end systems, automate cross-functional item management workflows, transform item information to conform to output requirements and syndicate the data.(4)*

According to Pricedex, PIM is "much more than a simple catalog publishing tool. [It] spans four categories of process management: product & part management, pricing management, catalog and publishing management, and data synchronization" with internal systems and external trading partners.(8)

A few aftermarket suppliers are beginning to adapt a PIM approach by launching new applications. MAHLE Clevite, a manufacturer of aftermarket engine parts, is adopting PIM to accelerate its compliance with industry data standards, improve internal data management and get accurate data to customers faster. (See Firebird section below.)

Dashboards

Executive dashboards are applications that enable decision makers to view key performance indicators (KPIs) and business metrics. In many cases, the data is real time and is presented in graphical format. Users can click on elements of the graphs and charts to "drill down" to the raw data for a more detailed review. Successful IDM programs feed normalized data from many applications to dashboards to improve the validity of the data being presented.

MEMA's customer relationship management database performs data normalization and feeds an application developed internally, which has been internally named "Executive View." While users of Executive View cannot write to the database, they can view membership status, council rosters, event registrations, outstanding dues, publication sales and other critical metrics at any time. The data pulls from the database, so it is real time, in other words there is no delay between the posting of entries and when the data is available for use by executives. In fact, the technology staff developed a mobile application for use with Treo's and other PDAs.

ECM

While Electronic Content Management (ECM) is not an IDM application per se, it is an excellent example of an application that forces users to "speak the same language."

ECM is the technology and process of managing content for presentation to a target audience, typically through an online application. Web site content management is the most common use of ECM, whereby contributors of the content utilize standard forms to enter text, documents and images. The application converts the information to the formats required by the Web site and displays it according to design guidelines. Administrators manage who has rights to submit information, how it is presented, who can edit the content and other criteria required to ensure a consistent display of the data.

Software Application
There are two general approaches to purchasing software solutions – hosted and behind the firewall.

Behind the firewall solutions are generally purchased software applications that are installed within a company's domain. The IT department can manage the software, network and servers, or a third party outsourcing firm can manage part or all of the system. There is a greater level of control and customization associated with this approach.

Hosted applications are served by remote data centers and are purchased through monthly fees. This can appeal to smaller companies that cannot afford the larger up-front investment needed for traditional software. Hosted applications typically are limited to off-the-shelf functionality because the applications are developed and made available concurrently to several users.

A third approach is developing a solution internally. This requires competent development capabilities, but it provides the optimal level of flexibility. Internal staff better understand the various sources, locations, owners and formats of data and the business needs.

Selecting the most-appropriate software solution depends on IT budgets, philosophy and customization needs.

Table 5: Comparison of IDM Solution Approaches

	Hosted	Purchased	Internal
Up-front costs	1	3	2
Ongoing costs	3	2	1
Customizability	3	2	1
Learning curve	3	2	1

Master Data Management

IDM is a broad approach that can focus on migrating or integrating users and departments to the same version of software applications or can focus on integrating the data from the various applications. Master Data Management (MDM) is this practice of formatting data from disparate applications into a common format. This requires mapping data from a base application to data used by others. Less stringent IT governance and standard use policies are required with this approach because users can continue using existing applications. However, developers have to continuously keep up with mapping to new software.

Data Governance

While data governance is first a mindset and attitude, second a process and third an application, it is required to ensure the consistent use and maintenance of data. According to FullTilt, "Data governance is a significant part of the solution. By using a role-based security model, users have various rights to read, add or change attributes for products or product families. Product managers for a product line control the specs for that line, broadcasting a change in specs to every medium in which it is referenced. The same team may be prevented from changing the same specification in a different product line to avoid data errors and ensure integrity. Data is often controlled at the attribute level to prevent sales personnel from changing a technical specification without approval, for instance."

Conclusion

Data management within corporations is critical to operating efficiencies. The issue is widespread and affects most companies. Gartner released survey results in 2007 that found that more than 25 percent of the critical data held by Fortune 1,000 companies is flawed – duplicated, inaccurate or incomplete.(7) According to the AASA 3rd Quarter Supplier Barometer, nearly 50 percent of the participating aftermarket executives stated their companies do not even track enterprise-wide data.(9)

It has been said that wisdom is the ability to apply knowledge to real situations. Good business decisions (wisdom) can only be made when accurate and current data (knowledge) is available. This really is the premise behind IDM programs. Strategic internal data management is first required to fuel multiple applications that are available to present data to decision makers and to convert data to customer formats.

Achieving IDM success is not a short-term proposition, requires a high-level of collaboration across departments and business units, and sometimes depends on a revamp of corporate culture. However, eliminating disparate data problems and

i comes before e, which is a shortcut to remember that information infrastructure comes before e-commerce.

enabling decisions to be made with real-time business intelligence easily justifies the cost and time required for a new program implementation.

As Pricedex indicated in the IDM Webinar, "i comes before e," which is a shortcut to remember that information infrastructure comes before e-commerce.(1) Proper data management should be a precursor to efficient transactions with business partners.

Case Study

Firebird: Mahle Clevite's Road to Better Data Management

Mahle Clevite was formed in 2006 from a German company (Mahle) and a U.S. company (Clevite) and is a leading supplier of engine parts. Clevite had been using two different and disparate systems for product data for 10 years. The merger contributed to the challenge of creating, managing and exchanging multiple data formats.

While the company was successful using workarounds to manage the data, the internal processes were less than optimal. The company made a strategic decision to launch a data management program to eliminate the many redundant activities and the massive amounts of unsynchronized data.

Mahle realized that purchasing and installing a software program would be only a small part of a sizeable program that would involve multiple locations, disciplines and departments. It needed to reinvent itself to become more flexible, so the program was internally named Firebird. It also realized that through several divestitures internal resources had been reduced to the point there were not enough internal capabilities to support the program. Executive management recognized this and was involved throughout the planning and decision-making process.

Once the decision was made to launch a data management program, the company conducted an internal evaluation process to identify "must-have" capabilities, process requirements, financial targets and anticipated future needs. This information was used as a basis for evaluating third party solution providers. Key internal users helped conduct the evaluation, and final selection was based on a joint scoping process that confirmed all critical requirements would be met and potential barriers identified. Mahle selected a leading provider of PIM solutions to help it collect, format, maintain and communicate data with internal users and external business partners.

Justification for and anticipated benefits from a data management implementation vary. Mahle's list probably is unique to its situation, but many on the list agree with those identified by the Focus Group (4) and survey participants (2). Desired benefits from its Firebird program include:

- *speed to market*
- *relevant & manageable coverage comparisons*
- *accuracy*
- *ease of use – eliminate redundancy*

- *full audit trails & accountability (reporting tools)*
- *seamless interface with ERP system*
- *workflow documentation & control*
- *secure and seamless customer interfaces (electronic & paper)*
- *price modeling (strategic scenarios)*

A required result will be the flexibility to meet Mahle's North American needs while enabling connectivity and sharing of data with the supplier's European facilities and its global network.

Process controls and integrated market data and analysis tools will provide business intelligence through Firebird to all levels of Mahle Clevite. This will enable the company to make better decisions and provide better products and service levels to customers. The program also will enable Mahle to prepare and communicate product data, using Firebird's PIM capabilities, to customers in their respective formats, since industry data standards are not universally used.

Mahle is being very intentional in its development and roll out of Firebird through new processes, extensive training and periodic system reviews to ensure the sustainability of ROI. Initially, the application will reside behind the company firewall, but eventually access to the appropriate data will be provided for approved customers through a "self-service" portal.(10)

Dorman Products: IDM and Business Process Improvements

Dorman Products is a leading North American supplier of brake, clutch, transmission, CV, fuel line and other components to the aftermarket.

There really isn't any doomsday reason Dorman Products was forced into a data management program – the company simply made an intentional decision to become more efficient and accurate with its data and processes. It identified the need to centralize and standardize product information and processes to exchange information internally and with customers.

According to Dave Dale, Director – Product Data Services, Dorman's Product team initiated the push to launch and generate support for a PIM project as a business priority. The IT group has provided project management, and the Organizational Development team has assisted with documentation and driving process improvement.

Case Study

A strategic decision was made to achieve "buy-in" to centralized information by involving multiple disciplines and departments in the project scope development. Input was obtained from Product Management, Sales, Marketing, Engineering, Finance, Information Services and other areas. The need for and benefits from a new data management approach were carefully communicated to executives in all pertinent areas before a search for a solution was launched. With this approach Dorman successfully established the data management project as a business objective and not "simply one of a department's many initiatives."

Dale said his company identified several significant benefits that helped justify a major project. These included speed-to-market gains from reduced manual data entry into multiple systems, i.e. "home-grown Excel/Access tracking files;" more effective product launches based on having complete information available to Dorman's sales team from a single location; and the ability to run exports in customer-specific product setup formats.

Product information management was the initial phase because product data is viewed by the supplier as the most important area that needs centralization and standardization. However, Dorman has, since the project was first started, begun efforts to centralize customer relationship management and catalog/application management information. Moving into these other areas was facilitated by the initial efforts to include a broad base of people when communicating the need for better data management across all functional areas.

Dorman has placed an emphasis on having executive and exception reporting/tracking capabilities with centralized information. Executive level reporting was specified in the beginning as a benefit of new data management tools. For example, the company will be able to segment the 20 percent of the data that requires executive attention from the rest of the data, which will simplify processes used to make daily business decisions. According to Dale, "Reporting will be more streamlined, consistent and timely."

Customer relations will improve soon, based on the revamping of how Dorman communicates with channel partners. Current delays in manually searching for and confirming the correct information will be replaced by standard exports. Dale said, "We anticipate providing our information to our customers in all the industry standard formats (PIES, IPO, ACES)."

Training is a critical component of the data management project. "There's no way to successfully deliver on a project of this magnitude without training," said Dale. "Our PIM technology partner provided extensive initial training for our IT and project team. As each phase goes live, there has been and will be similar comprehensive user training."

It is obvious with Dorman and most companies implementing a corporate-wide data management program that business process improvements actually are more broadly beneficial than specific data improvements.(11)

Sources

(1)*10 Steps to Eating the Elephant, A Practical Approach to Optimize Internal Data Management* – a Webinar hosted by the MIS Council and presented by Illumaware and Pricedex Software

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(3) *Putting Products in their Place with Product Information Management*, META Group, October 2004

(4) *The Cost of Waiting: Building the ROI Case to Implement Product Information Management Now*, The Yankee Group, published December 2004

(5) *The 21st Century Supply Chain* white paper by FullTilt Solutions published August 2007

(6) Results from Focus Group on Data Management during the MIS Council 2006 Fall Conference

(7) Editorial article in *Baseline Magazine* by vice president and editor-in-chief, John McCormick

(8) *The Four Pillars of PIM*, Pricedex Software, published June 2007

(9) AASA 2007 3rd Quarter Aftermarket Supplier Barometer question: *Describe how well your company takes advantage of critical information (data) located throughout the enterprise*.

(10) Interview with Jesse Jones, Director of Marketing, Mahle Clevite Inc.

(11) Interview with Dave Dale, Director – Product Data Services, Dorman Products, Inc.

MEMA (www.mema.org) represents more than 700 motor vehicle product manufacturers with nearly 12,000 U.S. plant locations and 783,000 workers. Together, these companies keep the U.S. automotive and truck industry supplied with the components that enable it to produce some 17 million vehicles annually and keep the 232 million vehicles on the road with replacement products and services. MEMA supports its members through its three market segment associations: Automotive Aftermarket Suppliers Association (AASA), Heavy Duty Manufacturers Association (HDMA) and Original Equipment Suppliers Association (OESA).

AASA (www.aftermarketsuppliers.org) exclusively serves manufacturers of aftermarket components, tools and equipment, and related products. It is a recognized industry change agent – promoting a collaborative industry environment, providing a forum to address issues and serving as a valued resource for members. AASA is a market segment association of the Motor & Equipment Manufacturers Association (MEMA). *AASA, Leadership in the Global Automotive Aftermarket*

The Heavy Duty Manufacturers Association (HDMA) has served the strategic needs of its 172 member companies and the commercial vehicle industry since 1983. A market segment association of the Motor & Equipment Manufacturers Association (MEMA), HDMA's mission is to be the industry's primary advocate for the members of the commercial vehicle supplier community. With a continuous focus on its members, HDMA strives to advance the image and interests of the industry and its member companies. More details are available at www.hdma.org.

The MEMA Information Services Council (www.miscouncil.org) is a peer council of MEMA and provides leadership, education, standards and networking to information technology, information service, e-commerce, Web and customer service managers of MEMA member companies.

For more information on the MIS Council, MEMA, AASA or the IDM white paper, contact:

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