

Global Supplier

An Extended Enterprise® Magazine
for DaimlerChrysler suppliers and associates

Connecting Buyers IPS Opens Horizons

On the way toward becoming a globally integrated purchasing organization for non-production materials, International Procurement Services (IPS) has taken an important step: since March 1, IPS has been implementing its new "Global NPM Network" ("GNN") model. For a report on this latest move at IPS, see pages 4 to 7.

Chrysler Group

Partnership for the Environment Provides Value to the Supply Chain

DaimlerChrysler is working to increase the business performance of companies in the supply chain, while reducing environmental impacts. As active members of the Suppliers Partnership for the Environment, DaimlerChrysler is living out its commitment to help suppliers achieve real environmental improvements while providing value to supplier companies of all sizes.

The Suppliers Partnership for the Environment (SP) is an innovative collaboration between automobile original equipment manufacturers, their suppliers and the U.S. Environmental Protection Agency (EPA).

Originally established in 2002, the group creates new business-centered approaches to environmental protection that improve the environment while providing value throughout the entire automobile supply chain. The organization provides a forum for small, mid-sized and large automotive suppliers to work together, learn from each other and share environmental best practices.

Notes Stephen L. Johnson, Deputy Administrator for the Environmental Protection Agency, "The Suppliers' Partnership for the Environment establishes a forum where the EPA and the automobile supply industry can work together to achieve common goals of environmental performance. Through pollution prevention, smarter decisions can be implemented throughout the automobile manufacturing process that will benefit the environment and a company's bottom line. We welcome DaimlerChrysler's participation in this important effort."

Environmental Performance and the Bottom Line

The Partnership is a "member-driven" activity that provides quantifiable value to members. Work Groups address issues of importance that include:

- Design for the Environment (DfE)
- Energy Optimization
- Environmental Performance Metrics
- SP Technical Assistance Workshops

As an example, a recent SP Technical Assistance Workshop held at a small family-owned, tier-three supplier reviewed environmental and energy saving opportunities. Based on recommendations stemming from the three-day workshop, the supplier reduced annual energy costs by \$370,000 – a significant cost reduction for this supplier with \$7 million annual revenues. The Partnership has many other examples of how a supplier's manufacturing process may be explored to see if there are alternative energy optimization and environmental process improvements that could decrease costs, while reducing the environmental footprint of the supply chain.

From the Supplier Perspective For suppliers, this cooperative environmental initiative addresses a long-standing need. Notes Leon C. Richardson, President and CEO of Michigan-

based Chemico Systems, Inc., "The concept of having suppliers align their goals and strategies with their customers is right on target. Until now, it has been extremely difficult for suppliers, particularly smaller suppliers, to get an accurate understanding of what OEMs were seeking relative to environmental initiatives. The paradigm shift we see today exists when individuals and organizations, such as DaimlerChrysler, see the value of collaborating with large and small companies such as Chemico Systems. Our experience participating in this organization has been tremendous."

Reginald Modlin, Director of Environmental & Energy Planning, DaimlerChrysler, sees the benefit from DaimlerChrysler's perspective, "This partnership demonstrates that leading companies in the automobile industry and the government can work together to identify and address issues that will bring about a positive impact for the environment while improving the economic viability of the industry and its supply chains."

For suppliers interested in taking advantage of this important initiative, contact Reginald Modlin, Director of Environmental & Energy Planning, DaimlerChrysler rrm6@daimlerchrysler.com or +1 (248) 576-8076.

For more information about Suppliers Partnership for the Environment, visit www.supplierspartnership.org.



December 2003: U.S. EPA Deputy Administrator Stephen Johnson celebrates SP's one year anniversary with two of SP's founding members, General Motors Corporation and Lear Corporation, and welcomes SP's newest member, DaimlerChrysler Corporation. (In photo from left to right): Patricia Beattie, General Motors Corporation and SP At-Large Chair; U.S. EPA Deputy Administrator Stephen Johnson; SP's Chairman Rebecca Spearot, Lear Corporation; and Reginald Modlin, DaimlerChrysler Corporation and SP's Work Group Chair.

SUPPLIERS PARTNERSHIP
FOR THE ENVIRONMENT™

Suppliers Partnership for the Environment 2004 Membership Roster:

- Ashland Inc.
- B.A.E. Industries, Inc.
- Chemico Systems, Inc.
- DaimlerChrysler Corporation
- Delphi Corporation
- Detroit Chassis LLC
- Elm Plating Company
- Federal-Mogul Corporation
- FlexForm Technologies
- Flo-Matic Corporation
- General Motors Corporation
- Guardian Automotive
- Haas TCM
- JD Plating Co.
- Johnson Controls, Inc.
- Lear Corporation
- Motorola, Inc.
- Petoskey Plastics, Inc.
- Renosol Corporation
- Visteon Corporation