

End customer	Customer/supplier developments
Hitachi (VCR equipment)	<ul style="list-style-type: none"> • Six-monthly supplier meetings where Hitachi's CEO provides details of aggregate plans and policies to suppliers' top executives • Suppliers arranged into groups by categories of parts – cosmetic, electronic, mechanical and assembly. Each group has bimonthly two-day meetings to resolve quality conformance, technical and delivery reliability issues
Volvo (cars)	<ul style="list-style-type: none"> • 75 per cent of every car is made outside Sweden • Volvo collects parts from suppliers and ships them to Gothenburg • Suppliers required to maintain two to four weeks of stock • Pallets of parts not opened until moved to the assembly area, necessitating a guarantee on quality conformance and quantity • Volvo provides a 12-month forecast: first six weeks are firm, next 12 weeks can vary but Volvo accepts responsibility for materials and work-in-progress inventory
Boeing (passenger aircraft)	<ul style="list-style-type: none"> • Design-build teams used on the 777 passenger airliner • First plane off the assembly line – parts were so accurate that the nose-to-tail measurement was less than 23/1000 of an inch (0.6 mm) from design specification • Success built on computer-based design and the design-build teams used that included suppliers. Core to this success was the mutual respect and trust built up within the teams
UK-based motor manufacturers	<ul style="list-style-type: none"> • Forum established comprising experts from General Motors, Honda, Nissan, Toyota and Volkswagen • Purpose is for these major competitors to cooperate in educating and improving tier 2 supplier base to the auto industry
Canon (photocopiers and printers)	<ul style="list-style-type: none"> • Sent own engineers to Daisho Denshi (a \$0.25bn maker of circuit boards and other parts) at a time when it was on the verge of bankruptcy • Improvements in efficiency, quality conformance and on-time delivery resulted • Led to Daisho Denshi cutting prices to Canon by 10 per cent

EXHIBIT 9.25 Examples of customer/supplier relationship developments in a range of industrial sectors