



Using costing software FACTON, Behr GmbH & Co. KG is capable of detecting existing cost drivers from product development and throughout the production cycle. The company thus creates new savings potentials and produces higher profitability with FACTON. Furthermore, a simple and seamless variation administration accelerates bid costing. The manufacturer of vehicles' air conditioning systems and motor cooling substantially boosts its competitive position in a global marketplace. Introducing FACTON worldwide as a standard costing solution additionally improves the company's go to market position.

Automotive supplier Behr optimizes product cost worldwide

Efficient variant management and rapid price calculation using FACTON

► Advantages for Behr

Fast Processing: Simple and transparent variation administration

Competitive Advantage: Easy and quick bid proposal management

Increase in Efficiency: Consistent software solution with central database for worldwide service

Cost Reduction: Optimizing product cost by creating savings potential

► The Customer

Behr GmbH & Co. KG, Stuttgart, is a systems partner of the international automobile industry. Behr Group specializes in automotive air conditioning and engine cooling systems and is one of the world's leading manufacturers and suppliers of original equipment for passenger and commercial vehicles. Group sales in the 2008 business year came to around 3.3 billion Euros (\$4.5 billion). Behr employs some 17,000 staff at 17 development locations, 28 production sites and 12 joint ventures worldwide.

► The Requirements

Due to highly individualized products, Behr generates up to 50 different variations for each type of vehicle. The previous process of bid costing using Excel spreadsheets was extremely time-consuming and laborintensive considering such a wide variety of products. Lacking clarity and transparency in Excel further complicated the cost accountants' work. In order to achieve a more robust review of variations, Behr looked for a powerful software system solution that helped to identify

the savings of future manufacturing activities. In addition, the software was required to more efficiently facilitate Behr international product cost optimization, which until then had been an enormous task considering the 30 sites all around the world.

► The Project

In 2005 the decision was made to choose FACTON the Enterprise Product Costing Solution. With FACTON, Behr had found a solution that is engaged during product development creating significant savings potential. Engineers, purchasing agents, controllers, and product managers automatically provide FACTON with their data. Relevant ERP-, PDM- and CAD-data complement the respective systems via interfaces. Based on the data, FACTON establishes a calculation which is capable of simulating and further optimizing the manufacturing cost throughout the entire project stage - in fact even before starting production. Cost drivers can be identified and manufacturing cost can be reduced by

choosing alternatives at an early stage. In collaboration with Behr, FACTON developed additional modules which helped to fulfill the automotive supplier's particular needs: a variation matrix makes it possible to easily edit and change the parts list of product variants. The ideas management module facilitates product cost optimizing worldwide by outlining savings potential and the state of individual cost-saving measures.

"We selected FACTON because the software makes it possible to view all costs starting with product development. With FACTON we can control potential savings efficiently and make global integration of our methods accessible." Markus Mangold, Director Product Cost Optimization at Behr GmbH & Co. KG

Product cost transparency throughout the entire product life cycle.

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