

## Quality in the crisis



04.03.2010



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## Global High Performing Companies



COMPANY	5-YEAR AVG GROWTH %		5-YEAR ANNUALIZED TOTAL RETURN%	ESTIMATED EPS GROWTH% <sup>1</sup>	DEBT/ CAPITAL%	COUNTRY
	SALES	NET INCOME				
Bridgestone	7.0	NM	0.2	-	29	Japan
Honda Motor	8.5	7.1	1.9	-	28	Japan
Hyundai Motor	7.7	2.2	-3.8	5	41	South Korea
Toyota Motor	10.4	12.7	-1.3	-	32	Japan
Volkswagen Group	4.8	34.1	47.3	-	47	Germany

Source: [http://www.forbes.com/lists/2009/18/global-09\\_The-Global-2000-Consumer-Durables\\_9Rank.html](http://www.forbes.com/lists/2009/18/global-09_The-Global-2000-Consumer-Durables_9Rank.html)

- Companies with highest average growth rates over the last 5 years world wide in consumer durables
- What is the reason for the success of these companies??

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## What do global high performers stand for?



Since 1990, Bridgestone Americas has received supplier quality awards from Honda of America, General Motors, Nissan Motor Co. Ltd., Auto Alliance International, Inc., New United Motor Manufacturing Inc., Freightliner Corp., Ford Motor Co., Caterpillar Inc., Cleveland Cliffs, Inc., Saturn Corp., Toyota Motor Sales, U.S.A. Inc., PACCAR Inc., John Deere, Peter Kiewit Sons, Inc., and Sears Canada Inc.



Honda received the "Gold Plant Quality Award, North/South America" for the East Liberty plant from J.C. Power and Associates<sup>††</sup>.

San Diego – For the first time ever, the Hyundai brand has produced the most leaders on Strategic Vision's Total Quality Index™ (TQI), leading in three segments. The San-Diego-based research firm today announced 2007 results, based on the ratings of new vehicle owners in 19 product segments.

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## How was this quality level reached



- Starting from 1950's countries like Germany, Japan, Korea, Switzerland had to think how to compensate deficiencies in these industries, like limited access to raw materials or limited working force in order to compete in the world market.
- Therefore focus on long term quality leadership and implementation of processes, management principles and initiatives in order to fulfill this goal. Examples:



Deming Prize, Japan, founded 1951



"Swiss Made" initiative, starting 1971

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## Advantage of high quality products



- The customer base of high quality providing companies shows usually a very high loyalty towards the company and its brands. This makes high quality providing companies often more resistant against stronger competition or a crisis in their markets. Even if the market drops down their clients still buy their products.



Brown and Sharp



Swiss watches



Apple computers

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## What if the quality does not fit?



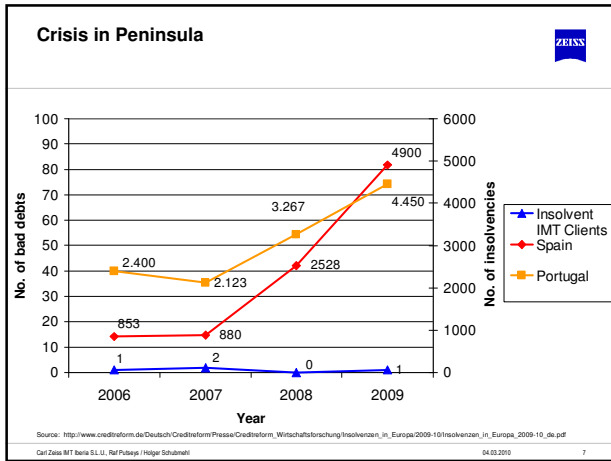
### Pedal Power: Sales of Japanese car manufacturer fall 16% in January !!



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### Conclusions

- Quality com... successful.
- If the produ... advantages
- Once the q... effects for

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