2019 NAPB Focus Days

What is a Focus Day?

After our annual conference, we often hear from attendees that they got a lot out of the sessions, but in some cases we only scratched the surface. Focus Days provide opportunities for Subject Matter Experts (SMEs) to drill down to a level of detail that is not possible in a large group setting. Each day is devoted to a single topic of interest.

How are Focus Day topics selected?

The Benchmark Steering Committee Members meet each year to select the topics for the coming year. Prior to deciding, the Steering Committee is presented with topic suggestions we have received from multiple sources. While the Steering Committee selects the topics, participating subject matter experts (SMEs) decide on the specific areas of focus.

What is the format?

Focus Days are generally content-rich all-day sessions, that start first thing in the morning and end in the late afternoon. Occasionally, we plan, in advance, for these to extend beyond one day (e.g., RIM Focus Day). The room is set up with tables and chairs organized in a U-shape, so everyone can see the screen and each other. A senior member of the Carlisle team facilitates the discussion, but individual SMEs present their specific case studies. There is a lot of open discussion throughout the day. The evening before the meeting, Carlisle hosts a reception, which provides SMEs an opportunity to break the ice and get acquainted with one another.
**WHO CAN ATTEND?**

To make this work, there should be no more than two attendees per company. All attendees are expected to be SMEs who will contribute to the conversation – no bystanders. We limit attendance in order to maintain a relatively small and intimate group where people feel comfortable talking openly and sharing information.

**WHAT PREPARATION IS REQUIRED?**

Generally speaking, SMEs are asked to complete a questionnaire and develop a few presentation pages prior to the meeting. The questionnaire includes questions that all participants answer, which helps to provide an overview of what’s going on in the industry. Presentation pages are developed by the SMEs to help them share their case studies with the group.

**IT SOUNDS LIKE THIS INVOLVES A SIGNIFICANT AMOUNT OF TIME, EFFORT, AND COST. IS IT WORTH IT?**

We started offering Focus Days in 2011. Since then, we have hosted well over 50 of them. Attendees have rated virtually all of them with 100% satisfaction. Anecdotally, we have heard from many participants that their ROI was very high.

**WHAT’S THE FOCUS DAY PLAN FOR 2019?**

Below is the general Focus Day timeline. Focus Day preparation begins about four months before the meeting will take place. Carlisle will start the process by reaching out to SMEs for learning objectives and to select a meeting date.

On the following pages, there are descriptions for each of the planned Focus Days.
IMPLEMENTATION SUCCESSES, FAILURES, AND LESSONS LEARNED

September 2019

In a world of constant change, we must constantly reinvent ourselves. Undertaking significant transformation projects is both risky and expensive, but the payoff can be huge.

In this Focus Day, we will explore companies that have made significant business and system transformations over the last few years to gain a better understanding of what it takes to be successful. We will look at how companies plan and execute these transformations, the lessons they learned along the way, and the benefits achieved. We will also discuss the change management challenges that people faced and how they overcame them.
Supply Chain Leaders have been meeting regularly for a couple of years now. It has proven useful to these executives to talk about things that keep them up at night and hear from their peers about things they have done to address similar concerns. Strategic Planning Leaders almost certainly have their own list of things that keep them up at night, too. A Strategic Planner is typically someone in a staff position and is responsible for multi-year business plan development, project management, and coordination of new initiatives that cut across multiple functions. This Focus Day is intended to give these strategic planners a forum to engage with others in the industry who have similar roles, responsibilities, and challenges.

During this Focus Day, we will start off using an approach similar to what we did for supply chain executives – talking about what keeps you up at night and how others have dealt with similar concerns. Based on input from the pre-work process, we will use the rest of the time to drill down into a few issues that are common among participants and share insights intended to improve everyone’s effectiveness at work, while also enabling a little better sleep at home.
Sales of counterfeit parts amounts to billions of lost revenue for OEMs and it is on the rise. Further, the inferior quality of counterfeit parts put drivers at risk and potentially harming the reputation of the OEMs. In a recent test, it was shown counterfeit parts resulted in a 36% to 66% additional stopping distance. This is serious safety issue. The issue will be further exacerbated with rise of 3D printed parts.

While stopping the production and sale of counterfeit parts is ultimately a law enforcement issue, we as an industry must join forces to address the core issues leading to this epidemic. In this session, we will hear from industry leaders and law enforcement officials about current and planned initiatives that aim to stem the flow of counterfeit parts.

The goal of this Focus Day is to explore what OEMs are doing to manage and contain the issue. The discussion will focus on both, short-term tactics and long-term best practices that OEMs have found impactful.
The core drivers of warehouse performance are people, process, and technology. With low unemployment and difficulty attracting employees, it is more important than ever that onboarding, training, and technology support a smooth transition with successful outcomes for new employees. All OEMs have onboarding programs to take people off the street and familiarize them with the warehouse processes, technology, and culture. More robust training curriculum usually follows to train employees for specific job roles and ensure a pool of capable, cross-trained employees. These structured trainings are critical to the success of new employees, but can be very challenging to design, build, deliver, and evaluate. We will discuss how processes and technology interact with and determine the structure of trainings, as well as cadence, delivery methods, and evaluation methods.
Supply Chain Leaders have been meeting twice each year – at the conference, and then again about six months later at this Focus Day. When we started this process, we discussed a wide range of issues that keep executives up at night. As this meeting has evolved, we have begun narrowing the focus to a small number of issues that everyone struggles with, such as turning data into action and measuring and managing the full customer experience. By narrowing the scope, we can go deeper and take away more meaningful and actionable insights. Specific topics for this Focus Day will be driven by executive input following the NAPB Conference and there will be some pre-work to help get us started on what will be a productive and useful conversation.
OEM distribution networks are typically designed in a way where nearly all parts flow through the network in the same way – from the supplier to a central or regional DC, central DC to regional DC and then to the dealer. However, there are certain types of parts that are intentionally meant to bypass the typical network flow - skipping a distribution echelon, bypassing the normal receiving and put-away within the warehouse or flowing directly from the supplier to the dealer. These alternate flows help OEM reduce inventory, labor and transport costs while improving service.

Another way OEMs achieve distribution cost efficiencies is through use of cross-docks where flows from suppliers, production and aftermarket, outbound dealer orders across warehouses and dealer returns are consolidated / de-consolidated.

The goal of the Focus Day is to bring together OEMs to discuss the setup of alternate network flows and cross-dock operations as part of their aftermarket distribution. Key topics of discussion will likely include:

- By-pass/Alternate Distribution Strategies
- Cost and Service Benefits/Impacts of bypassing
- Bypass Operations Challenges
- Cross-dock Usage in the Network
- Internal vs. External Cross-docks
- Cost and Service Benefits/Impacts of Cross-docking
- Systems and Operational Challenges – Tracking Orders, ETAs, On-time Delivery, Managing OEM vs. Provider Responsibilities, etc.
In 2018, we explored at great length what Amazon is doing in the motor vehicle space, as well as the impact they are going to have on our industry. We learned that the behemoth officially entered the automotive aftermarket in 2016, and reportedly did roughly $5 billion in sales in their first year alone. Looking beyond the parts side of the business, we envisioned a world in which Amazon owns the end-customer service experience entirely – a future vision that is not too far off. Finally, we learned that in the face of this great existential threat, most OEMs are wholly unprepared for the digital future that our customers want.

This year, we will look beyond Amazon to understand what other digital parts and service competitors we should be scared of. For the automotive side, is it RockAuto? For agriculture, is it FBN (Farmers Business Network)? For everyone, is it Alibaba? Who are the other key players we need to be keeping an eye on? And what are the trends, particularly in the area of creative delivery solutions, our customers are expecting us to keep up with?

More importantly, what can we do about it? Now that we’re all scared, we need to decide...what can we do to survive? For example, how do we make a real B2C model work in a franchised dealer environment? Participants of this Focus Day will receive a detailed report out, including both research findings surrounding the most prevalent online competitors out there, as well as a detailed summary of each OEMs current e-commerce offerings. Through discussion, we will try to figure out what we can do to thrive in this new, digital age.
Retail Inventory Management (RIM)  
March 27th – 28th, 2019 in Austin, TX

Retail Inventory Management (RIM) is a key lever to achieving high off-the-shelf fill and end-customer satisfaction. That’s why we have conducted sessions on this topic every year for over a decade. Participants continue to get value from the increasingly detailed discussions about the current state of the industry, so much so that the session now spans 1.5 days. This year the group will have many possible areas to explore. They include:

- Metrics – continue the ongoing effort to standardize metrics, including off-the-shelf fill
- Terms and conditions – what works to increase dealer participation and penetration
- What’s new – learn who has modified their systems or implemented a new solution in the last year
- Supply chain improvements leveraging RIM
- POS data – how it’s being used upstream for inventory planning, marketing and sales, etc.
- Proactive stocking – better performance for new parts and other parts with low sales
- Demonstrations – see features and interfaces of other RIM systems
Carlisle Bio and Contacts

Carlisle is a private, global strategy and implementation consulting firm focused exclusively on the motor vehicle industry. Global OEMs in the automotive, agriculture, construction, heavy truck, and power equipment sectors have been coming to us for over 25 years because of the value we deliver as specialists. They depend on our in-depth research and benchmarking, our insightful advice, and our customized training and business process support to optimize performance in dynamic times. We’ve built our reputation on our history of performance. Yet, it’s our rock-solid reliability, our strong values and culture, and above all, the quality and creativity of our people that really sets us apart.

Our mission has always been, and continues to be, helping our clients improve their ability to compete.

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