

Company	Project Delivered	Result
Defense Electronics	<p>Reviewed client's Integrated Product Development (IPD) process to determine root cause of poor first-pass yield rates</p> <ul style="list-style-type: none"> Product development process optimization Product development governance Cost of Quality – manufacturing yield analysis 	<ul style="list-style-type: none"> Identified weaknesses in IPD processes leading to design errors, impact was over \$90M per year in scrap, rework, and excess inventory that could be avoided if corrected
Commercial Software Developer (numerous)	<p>Assessed client Engineering Change Order (ECO) process to determine causes of time to market lags and product development cost overruns</p> <ul style="list-style-type: none"> Product development process optimization Product development governance 	<ul style="list-style-type: none"> Changes to ECO processes led to improvement in time to market and lower product development costs
Chemicals	<p>Performed product rationalization across thousands of product SKUs to help the client identify under-performers and those tying up excessive resources</p> <ul style="list-style-type: none"> Portfolio rationalization and profitability analysis 	<ul style="list-style-type: none"> Elimination of low-profit SKUs led to improved production capacity for more profitable SKUs and better inventory turn performance



Douglas Gates

National Innovation & Engineering Leader
 1660 International Drive
 Mclean, VA 22102
 703-286-8278
 dkgates@kpmg.com

John Cummings

National Business Effectiveness Leader
 717 North Harwood Street
 Dallas, TX 75201
 214-840-2130
 johncummings@kpmg.com

“Innovation is the lifeblood of most companies. The ability to quickly react to market signals with new products and services can often mean the difference between being a market leader and a market exit.”

~ Jeff Dobbs,
KPMG's Global Leader, Diversified Industrials

Innovation & Engineering

ADVISORY

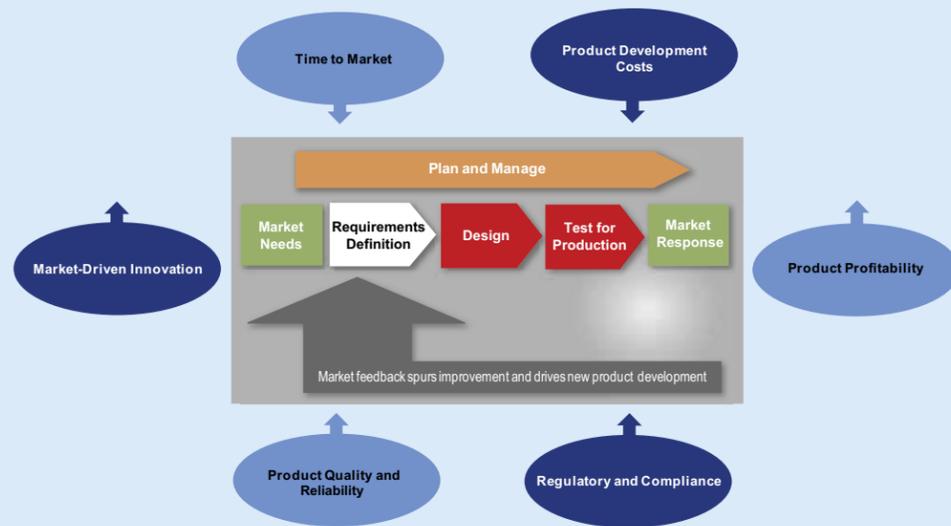
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Our Mission

Our goal is to assist our clients in driving structural improvements within their innovation and engineering process, helping make it a source of collaboration that spans concept to end of life. We help our clients assess where they are, advise on where they need to be, and provide support on how to create a foundational framework that is fully aligned with customer demand. Our approach balances increased speed to market with the ability to deliver the right product at the right time and at the right price.

Our Perspective



Practice Overview

KPMG member firms have global Innovation & Engineering and professionals with skills in the underlying functional **processes, enabling tools**, and criticality of **changing behaviors** of product development transformation programs.

We help develop and implement client-specific roadmaps for leading development optimization and governances. Our professionals have the knowledge and capability to embed leading practices, financial management, and internal controls to help balance risk with efficiency.

Our Offerings

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Improve the process for evaluation of potential new products as well as the rationalization of existing products in development and production measured against market demand
- 

Leverage relevant industry and process knowledge to analyze and improve product development results
- 

Improve product development project management oversight processes including key performance metrics
- 

Assess the full product development value chain, identifying weaknesses and root cause issues from marketing, manufacturing, the supply chain, and the aftermarket

What We Look For

- Quantitative measures used to measure performance (visibility/profitability/speed)
- Effective and collaborative product development evaluation and execution process (including with supply chain)
- Management and control of product development costs and schedule
- Effectiveness of ECO processes
- Maturity levels of governing processes
- Alignment of goals, objectives, and outcomes

Business Issues We Address

- Development of products more efficiently and less expensively
- Optimizing R&D investments
- Pressure on product quality from cost-cutting initiatives
- Product development delays and inefficiencies
- Heightened customer expectation for differentiation and quality
- Lack of tools to properly govern the development processes

The Results We Can Deliver

- Increased speed to market
- Greater return on R&D investment
- Alignment with customer demand
- Balancing demand for quality and differentiation with cost and product proliferation challenges
- Identification and governance of lifecycle costs associated with a product
- Establishment of criteria and controls for maintaining acceptable profits for each investment
- Mitigation of investment risks by institutionalizing review and approval process checkpoints
- Improved customer satisfaction

Our Differentiators

- Trust:** Dependable client-side advisor committed to our clients
- Unbiased:** Objectivity not compromised by affiliation to a systems integrator, outsourcing service provider, or software company
- Service Breadth:** Domain knowledge to provide guidance on balancing process efficiency, risk, internal controls, and tax effectiveness
- Capability:** Multidisciplinary team of seasoned professionals with experience in industry-specific issues and challenges
- Global Reach:** Extensive network of professionals that can be leveraged to deliver value

Leadership in the Market

Research/Global Surveys

- Global Automotive Executive Survey, conducted annually, in its 11th year
- Global Manufacturing Survey, launching in 2010

KPMG works closely with the following analysts:

- Gartner
- Kennedy
- Forrester
- IDC

Sponsorships and Industry Associations – Manufacturing and Engineering

- Aerospace Industries Associations Supplier Management Council
- American Metal Market Steel Success Strategies
- North American International Auto Show
- National Association of Manufacturers
- National Contract Management Association
- National Defense Industrial Association

