

BUILDING YOUR BOTTOM LINE IN THE AUTOMOTIVE INDUSTRY



THROUGH **BETTER NEGOTIATING**

Don't Leave Money on the Table!



The Auto Industry is at a crossroad. Innovative technologies are creating new market opportunities as well as new challenges.

To meet the challenges of increased competition and stay ahead of demanding government requirements your organization has innovated to offer greater value to your customers. But are you successfully **LEVERAGING THAT VALUE** to capture greater market share and profit margins?

Is your Supply Chain maximizing the **COST SAVINGS** opportunities that exist in today's volatile global environment by leveraging supplier's resources and getting cost price breakdowns?

Over 984,000...



...engineers, managers, consultants, sales people, corporate officers, and other professionals have attended **KARRASS EFFECTIVE NEGOTIATING®** seminars.

Karrass has set the standard for negotiating training for over 40 years. Now customized for **AUTOMOTIVE SUPPLIERS** and presented in-house by Stephanie Lease, a certified Karrass instructor with 20 years experience working with automotive suppliers.

Now **KARRASS** brings the Effective Negotiating seminar to Automotive Industry Professionals.

What Auto Industry Professionals Say



"I would recommend this seminar to anyone who even thinks they negotiate."

ITT, Operations Manager

"Fantastic class for our entire sales organization, it makes sure you get the most value for everyone, every time!"

Honeywell, Sales Director

"The investment in this training has already paid off big time!"

JCI, Program Manager

"Insightful and immediately useful information for all."

Borg Warner, Senior Buyer

"To be successful, you need this training."

Tina Drake, Materials Manager



Who Should Attend?



Business Development professionals, buyers, engineers, launch managers and program managers negotiate every day...Even when they **DON'T THINK** they are negotiating.

Can a **CASUAL REMARK** made by a supplier's engineer to the customer's engineer **EVER COME BACK TO HAUNT YOU?** Prepare your organization with the strategies and techniques the most successful negotiators have learned.

Externally, when negotiating over piece price, timing, productivity, design changes or warranty sharing, nothing can translate more quickly into improved profitability than improved negotiating skills.

Internally, when negotiating with co-workers, other departments or locations, better negotiating techniques can prevent roadblocks that affect project timing.

You Are Negotiating...



It may be with an OEM over a 5 year agreement for a new platform; **OR** it may be over a design change on business you have been awarded but won't launch for a year, **OR** with a Strategic Supplier over a price increase or an unexpected surcharge on an existing contract.

You feel anxious. You don't want to knuckle under. You also don't want to appear to be playing hardball and antagonize the other person.

How would a good negotiator handle it? There are some people who always seem to get what they want and still end up on friendly terms with the other person after the agreement is reached. How do they do it?

DON'T TAKE "NO" FOR AN ANSWER!

We'll Show You How

The **KARRASS** program is a fast-paced, practical and interactive learning experience that's the world's most widely attended negotiating seminar. In a lively, entertaining format we teach and demonstrate skills, strategies and tactics that you can implement immediately to improve the outcomes of your negotiations for years to come.

We work with your organization to identify the "real world" issues your negotiators encounter with the OEM's and suppliers you deal with and customize the presentation to address them. We will show your **NEGOTIATORS** what thousands of Karrass graduates have learned.



LEARN KEY NEGOTIATING STRATEGIES

Planning and Preparation Checklists

Establishing an Opening Position – and how to Justify it

Concession making strategies that increase satisfaction for the other party, but protect your interests

Setting Targets – Where you set them determines the results you get

Using Cross-Functional teams to strengthen your company's position

Maintaining control of the negotiation in the "Hard Bargaining" stage

Holding your ground without antagonizing the other person

Learn the 4 Modes of Negotiations: how and when to shift modes

Gaining leverage when negotiating with a sole-source

BUILD YOUR NEGOTIATING POWER

Give Legitimacy to every position you take

Develop Probing Questions that uncover the other person's hidden pressures and real position

Building Champions in the other side's organization

Using Minor Concessions to gain Major ones in return

How to Tie a String to your concession to make a better deal for yourself

Shifting the balance of power in your favor

NEGOTIATING IN THE GLOBALIZED BUSINESS WORLD

When sourcing or selling globally a lack of awareness of the customs and ideologies of the local culture can result in offending someone without realizing it and **CLOSE DOWN THE NEGOTIATIONS!**

Know what to expect and how to respond when negotiating with people from Japan, Korea, China, Taiwan, India and other cultures.

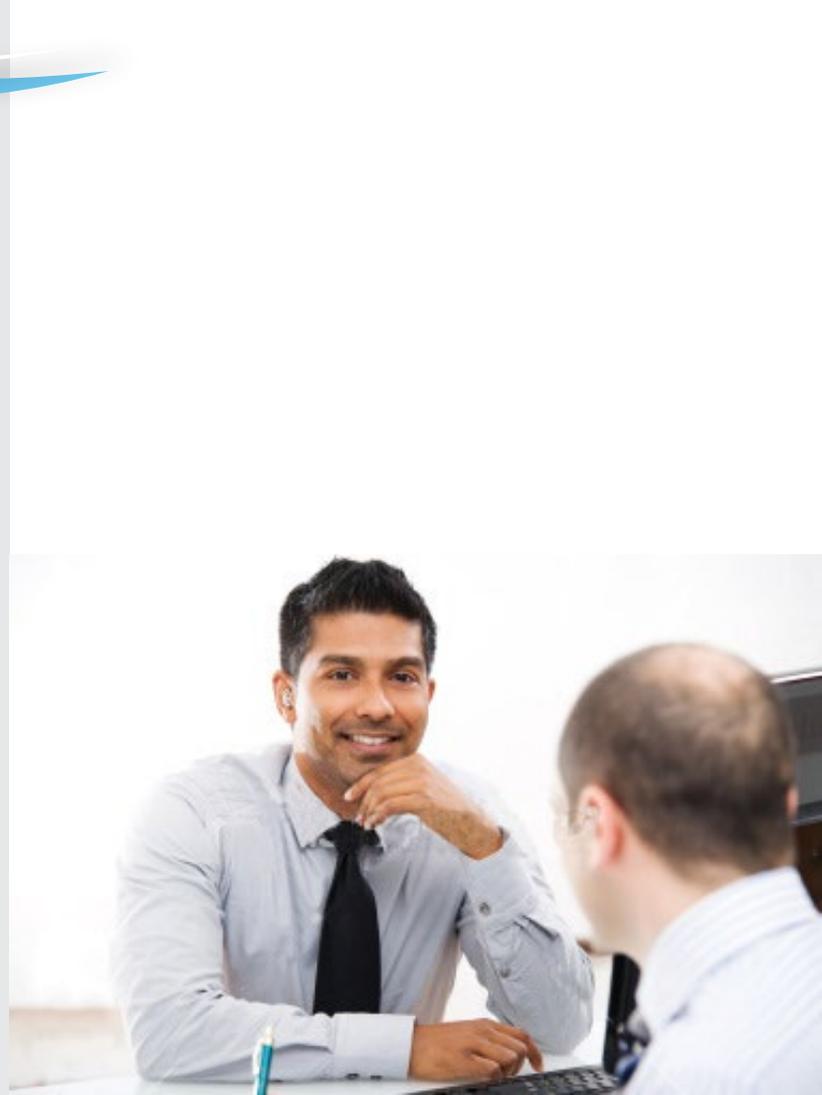
Handle Delays and Silence and "no authority" used by the Japanese

Differences in High-Power – Low Power cultures

Differences in Propensity for Risk taking

How to tell if they **MEAN** what they **SAY**. Is the objective of communication "the Truth" or "Diplomacy"?

What does the Chinese comment "No Problem" really mean? Not knowing can be a **BIG PROBLEM**



RECOGNIZE & COUNTER TOUGH BUYER TACTICS

The BOGEY: "If you can't meet my Target Price we're going to your competition"

The KRUNCH: "This is still an open program and your competition is bidding aggressively on it. If you want this piece of business, you're going to have to do something dramatic about your reducing your price"

LAST-MINUTE NIBBLES: "We're ready to award you the business if you throw in the shipping." "Thanks; now we need you to increase your % of warranty sharing; and then there is the "Give-Back"

ESCALATION: "Since we agreed yesterday, your competition offered me a better price, you're going to have to really sharpen your pencil."

THREATS: "If you don't agree to this cost-down, we will de-source you"

BEST & FINAL: "I don't want to waste a lot of time, so give me your best shot right up front, or you won't get consideration."

TACTICAL DEADLINES: "If you can't agree to our terms by the end of the day, we're going to have to bring in your competition."

DEFEND YOURSELF AGAINST SUPPLIER TACTICS

The BOGEY: "We can't ship less than a Full Truckload."

NIBBLES: Surcharges, late delivers, substitutions, change specs. Learn how to turn **NIBBLES** into **MORE VALUE**.

ESCALATION: "Since we agreed last week we have had a price increase"

THREATS: "If you don't agree to the price increase we will stop shipping"

TACTICAL DEADLINES: "If you don't sign the PO now I can't get it for you in time"

MAKE CREATIVE BOTH-WIN AGREEMENTS

There are different negotiation approaches and knowing when and how to shift from the Competitive Mode which is TRANSACTIONAL to the STRATEGIC Cooperative Mode, can make the difference to finding a solution that can save both parties.



PROTECT YOURSELF FROM NEGOTIATING TRAPS

DUMB REMARKS

"Where do we need to be to get the business?"

"Your part is the only one that passed the acceptance test. Go see Joe in purchasing and he will give you the PO."

SPEC CREEP

"We need you to make this little change here; and this minor adjustment there; and one more change and we've just about got it."

PERFORMANCE SHORTFALLS

Giving a good price based on volume that doesn't quite materialize

Paying a premium for Just-In-Time that turns out to be Almost JIT!

MAKING CONCESSIONS TOO QUICKLY & TOO LARGE

"No problem, we can give you **4-4-4-YR OVER YR PRODUCTIVITY**

"We'll hold your inventory and release it on your call."

"I guess it would be OK for you to loosen the technical requirements."



KARRASS provides extensive follow-up materials to reinforce the concepts. Each attendee receives a workbook, two of Dr. Karrass' best selling hardcover books, a set of 6 **EFFECTIVE NEGOTIATING** program CDs, and a **KARRASS** pocket sized negotiating planning guide.

Contact Us Today

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CALL OR EMAIL TODAY for Karrass Pricing

PRESENTING your Seminar Leader and Negotiating Coach

Ms. Stephanie Lease, CPBA, CPVA, through her organization Infocus Training, Inc, has been a Certified Instructor for the **KARRASS EFFECTIVE NEGOTIATING®** seminars since 1992. Her specialty is customizing in-house programs to address the client's industry specific issues and the attendee's "real world" negotiating challenges.

Over the past 20 years she has tailored and presented the Karrass program for Automotive suppliers from A to Z Including: Arvin Meritor, Borg Warner, Cooper Standard, Dana, Echlin, Faurecia, Lear Corporation, Mann Hummel, Robert Bosch, Tenneco, TRW Automotive, Visteon and the ZF Group of companies, to mention just a few.

You can now bring this experience and the Effective Negotiating seminar that **FORBES** reported as being one of the most popular seminars in any area of training, to your organization.

