Embedded Tech Trends: Inventing, Connecting, Inspiring, Thriving

Product Pruning to Increase Revenue AND Profitability

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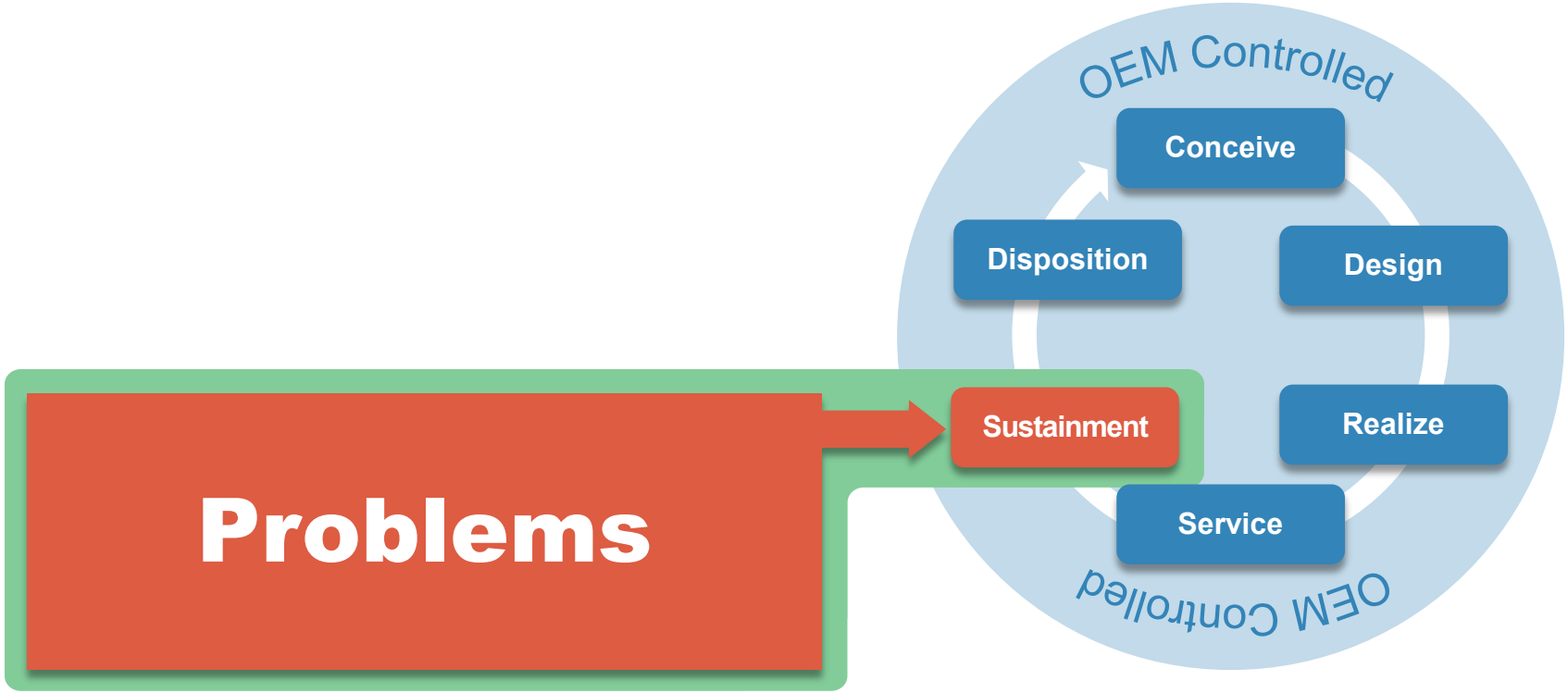
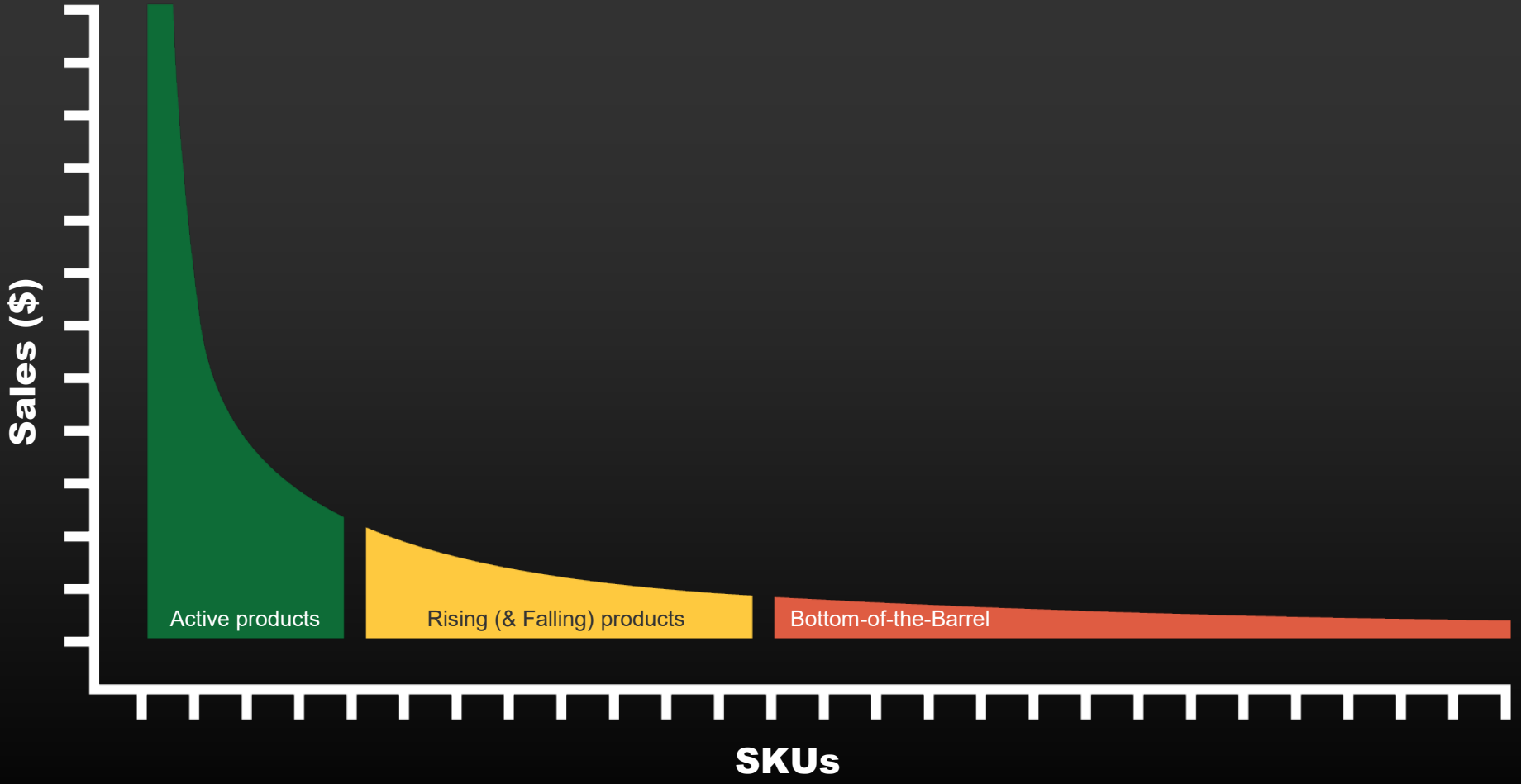
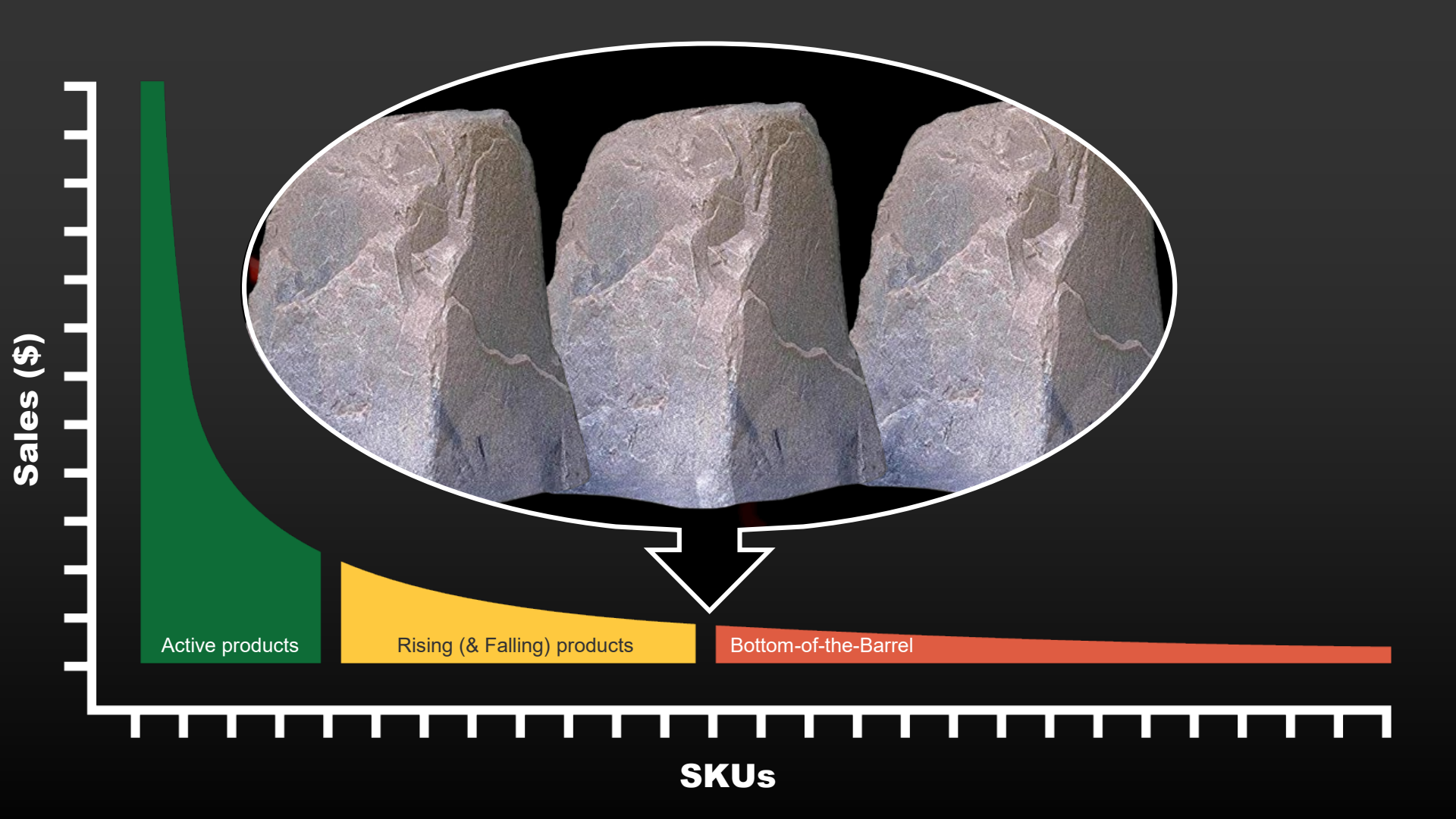
28-Jan-2020

invention

Product Lifecycle Management (PLM)




Sales ($)
Active products
Rising (& Falling) products
Bottom-of-the-Barrel
SKUs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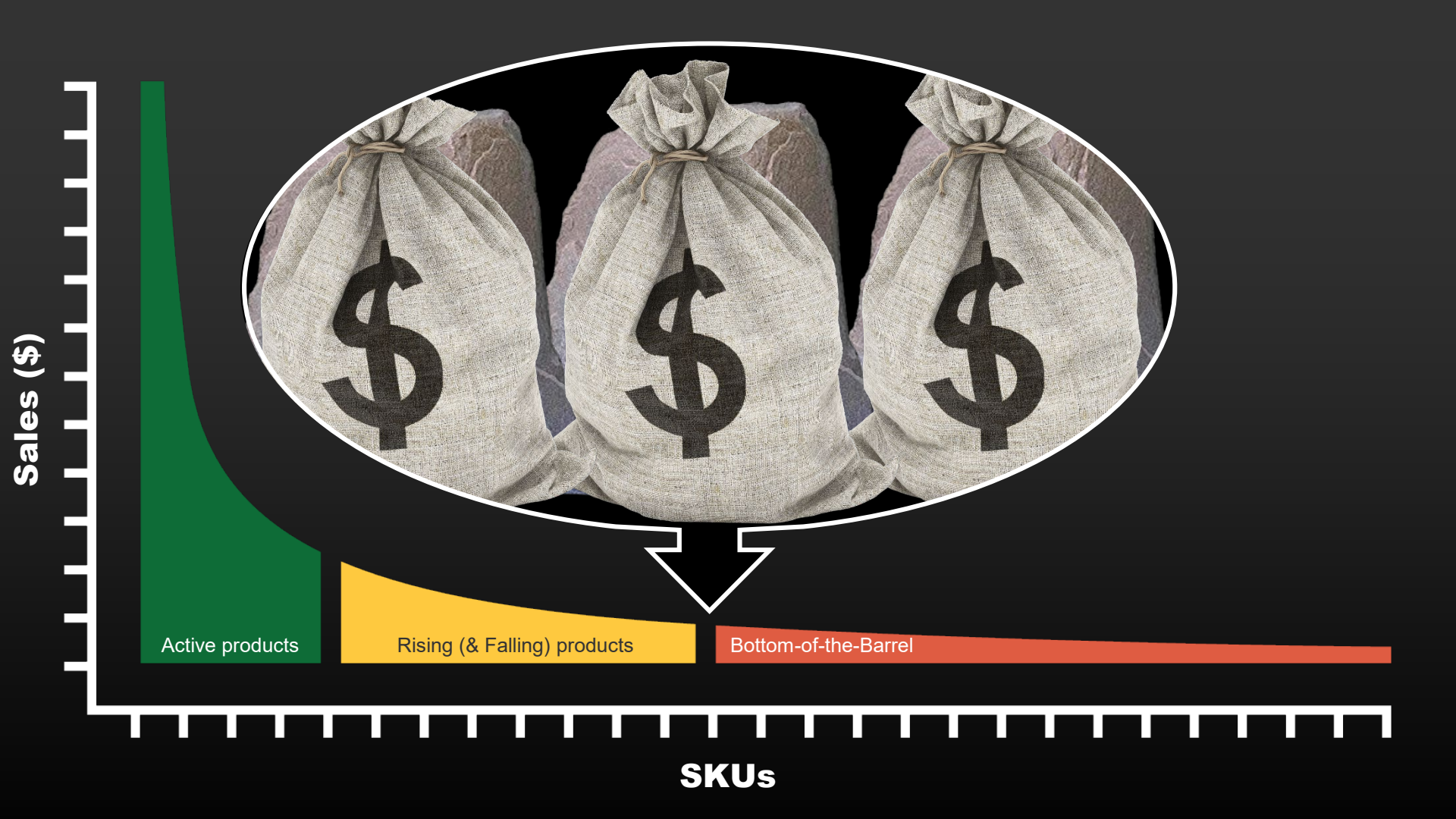
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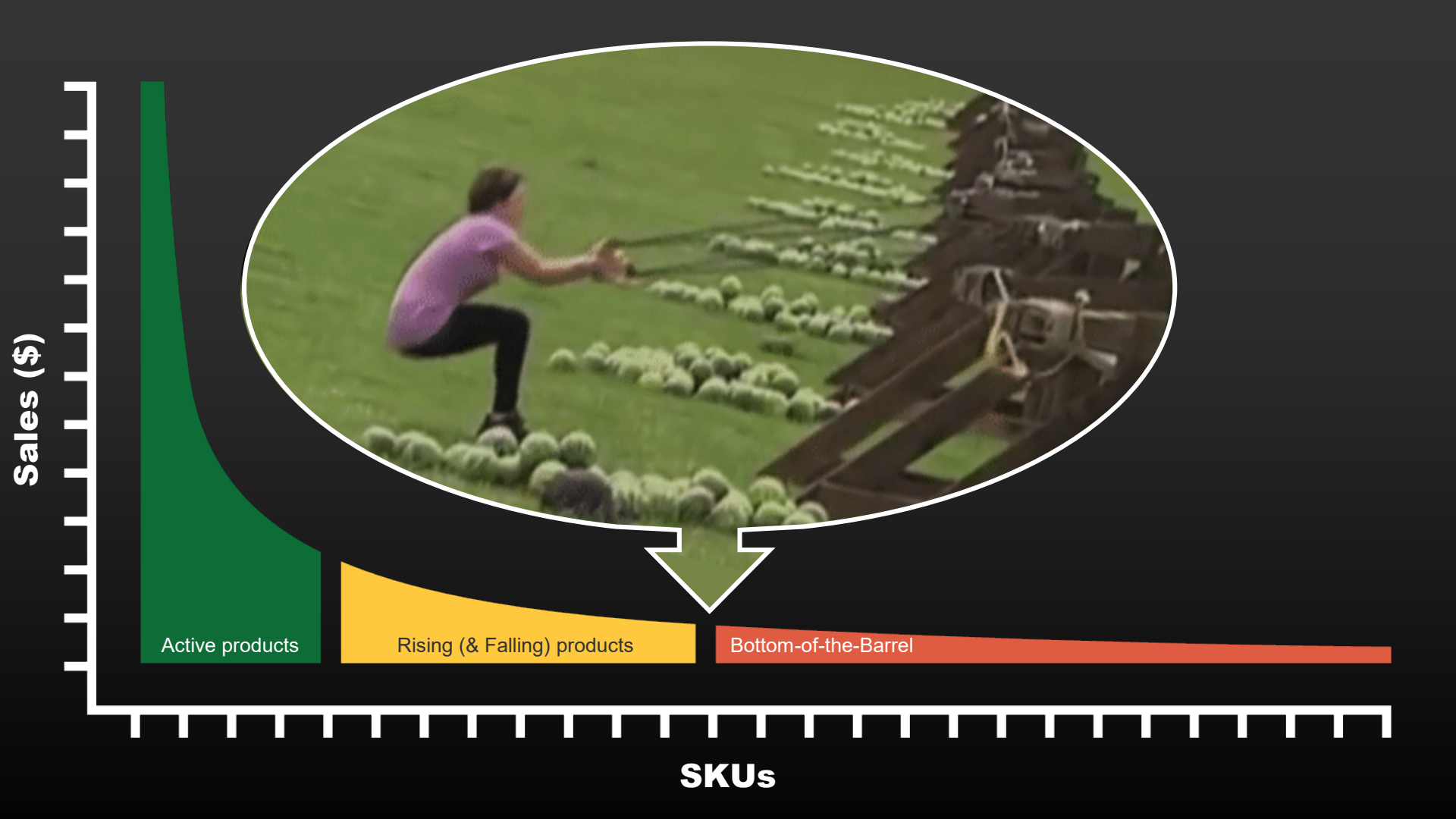
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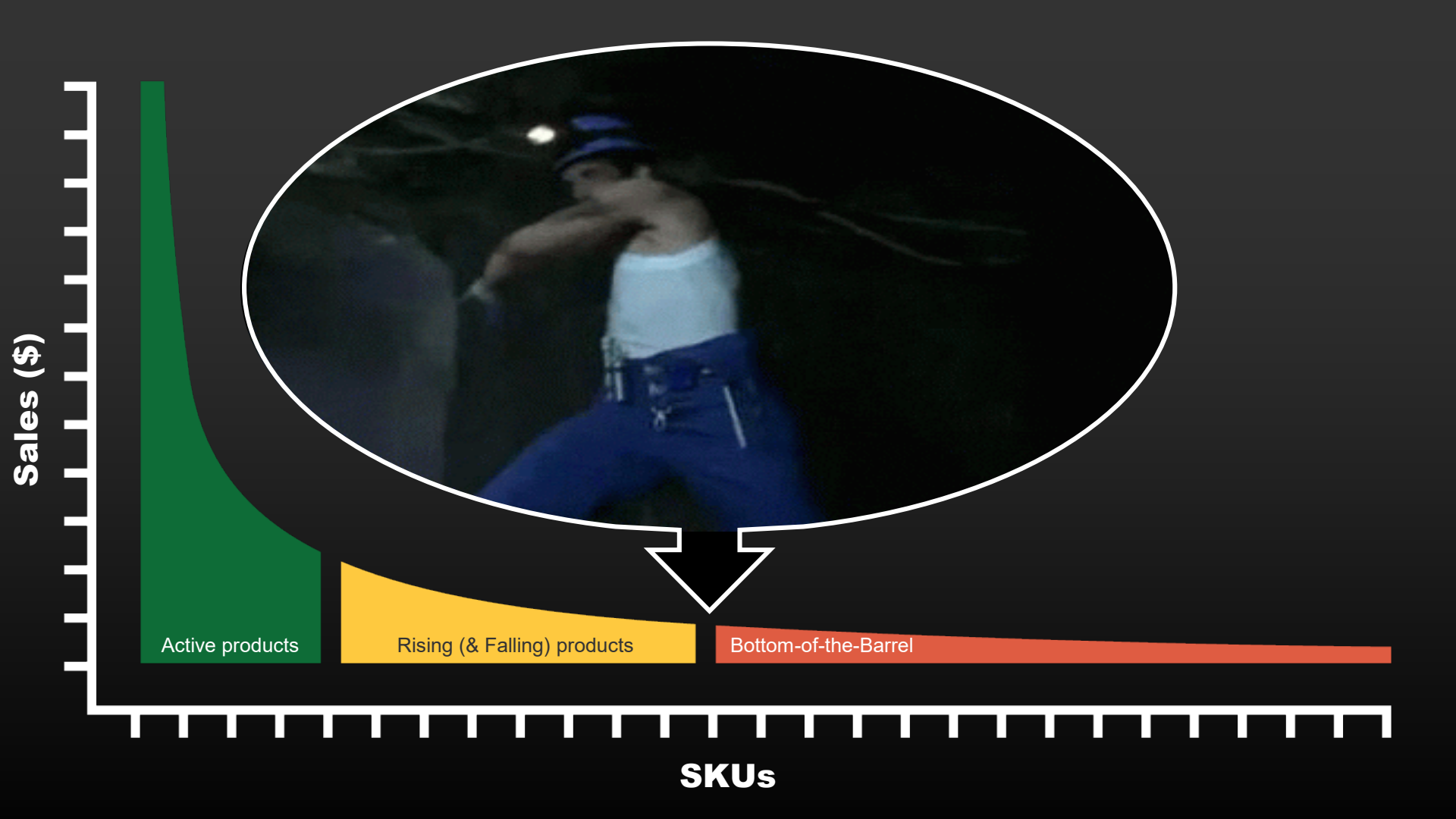
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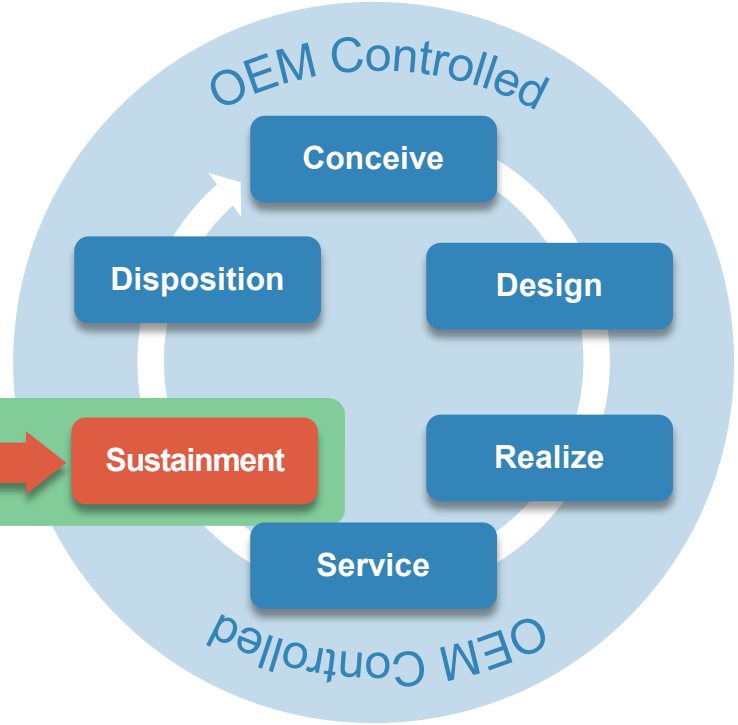
Product Lifecycle Management (PLM)

slog – \slog\ *verb* **1** to work hard; toil *"They were slogging away to meet a deadline."*
2 to move with difficulty; plod *"Slogging through the deep mud was a very difficult task."*
3 to hit with heavy blows, as in boxing *"The boxer slogged his opponent mercilessly."*



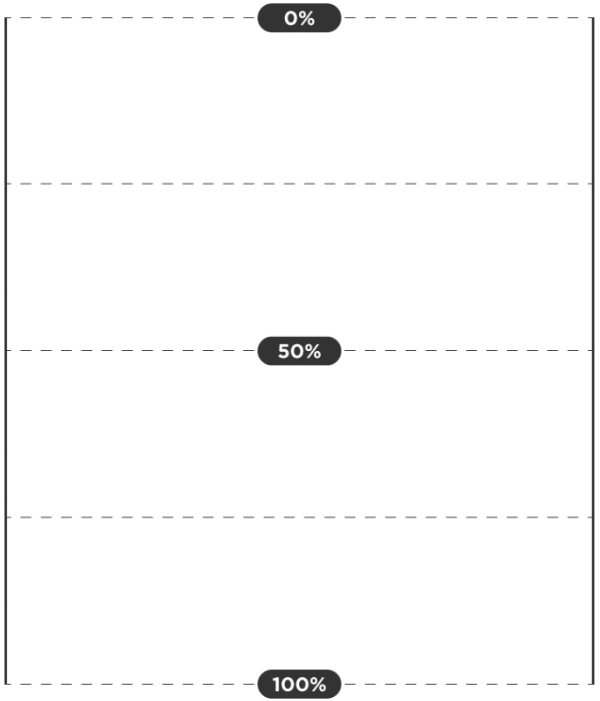
Sustainment Slog
(Problems)

CONNECTING

Sales ($)

Sales ($)
Out-of-pocket costs $
Hidden costs $
Opportunity costs $

Product Portfolio Profitability Breakdown



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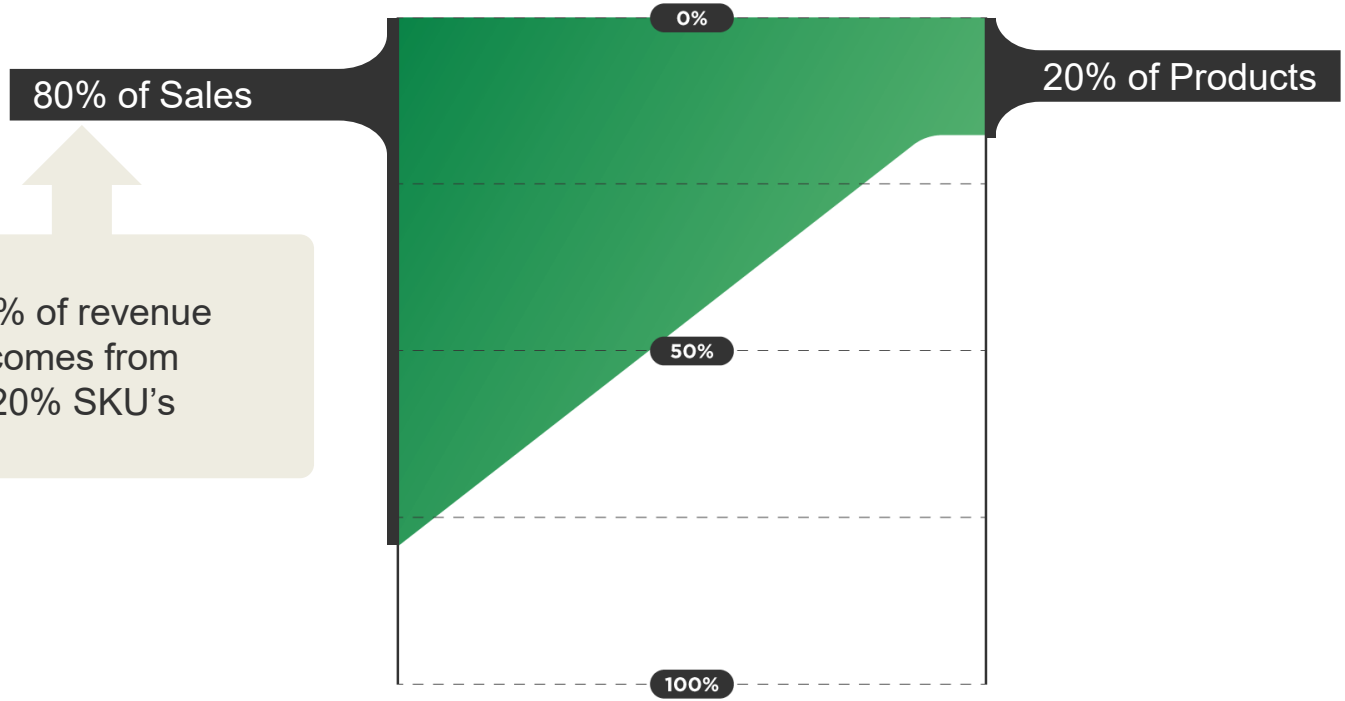

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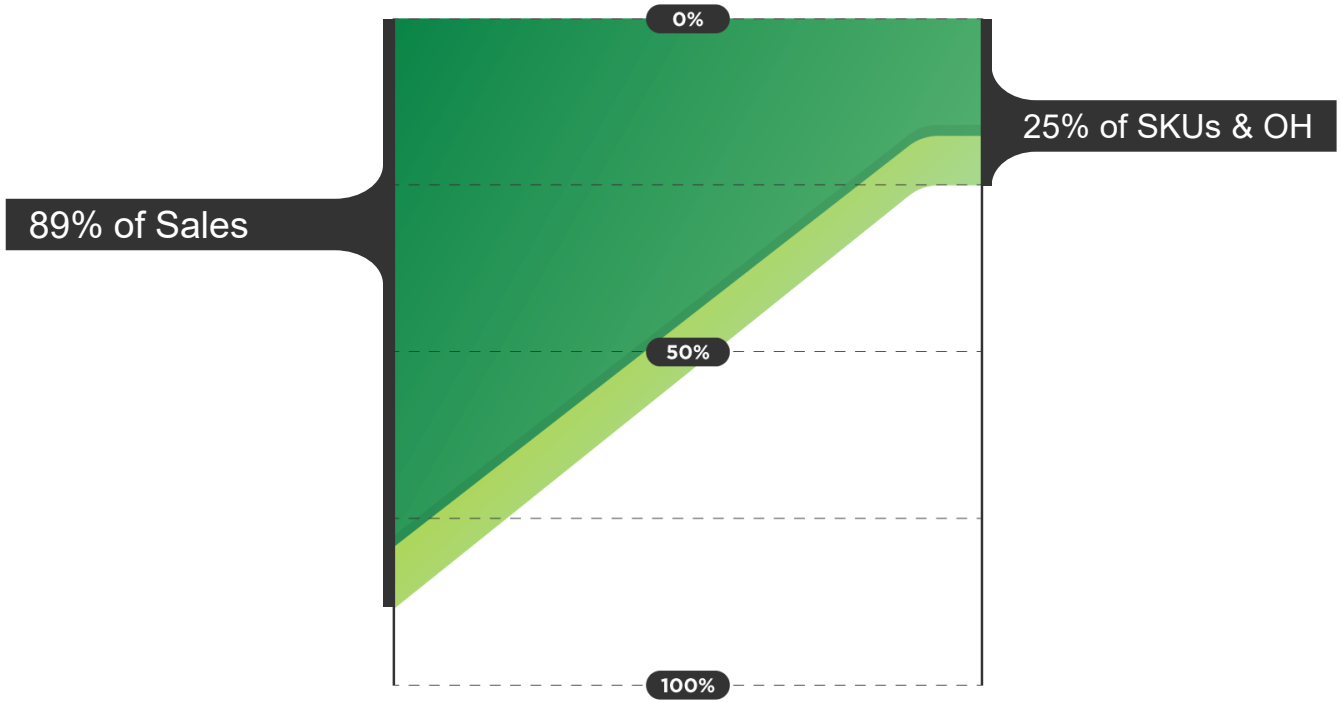

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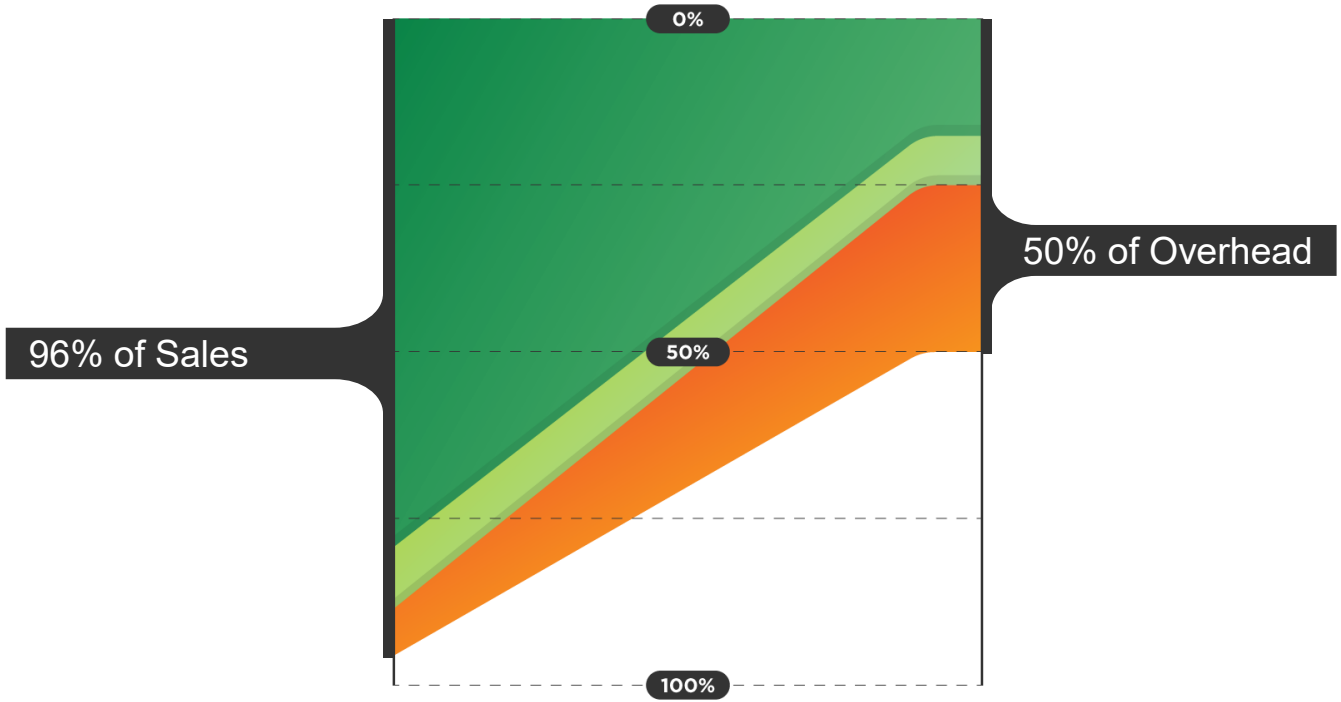

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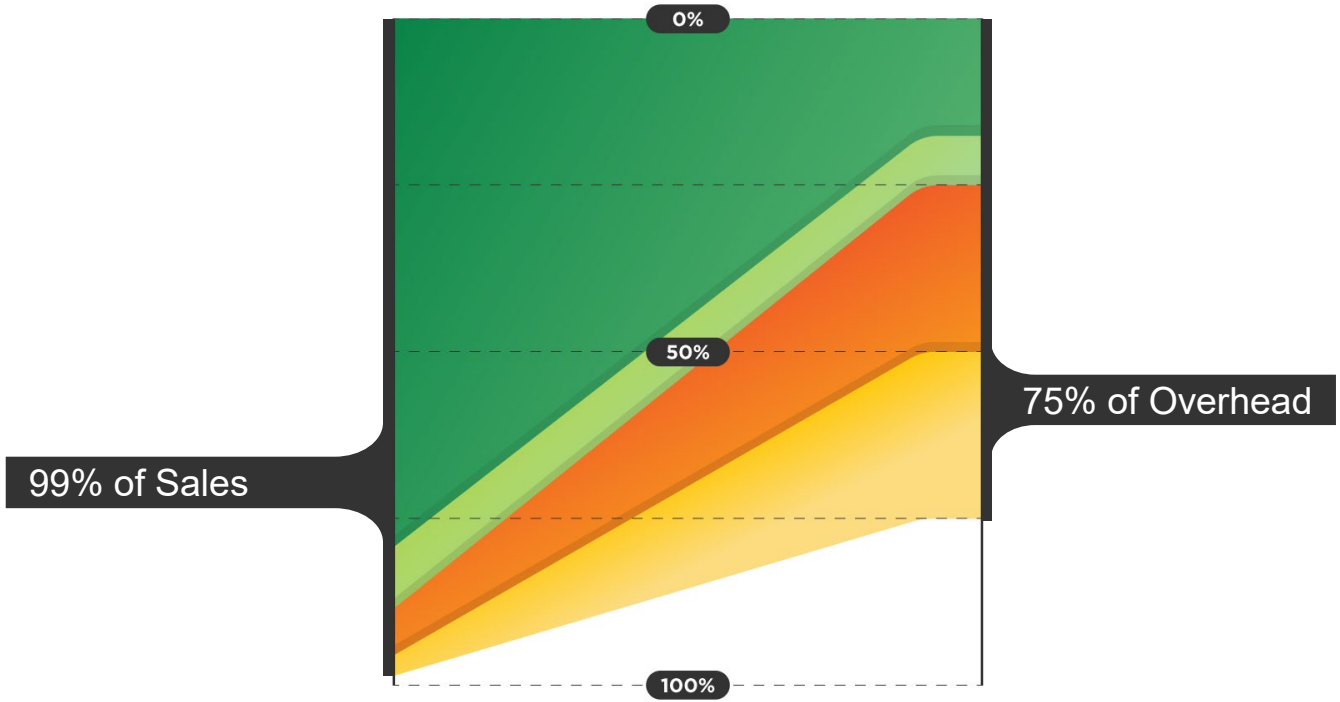

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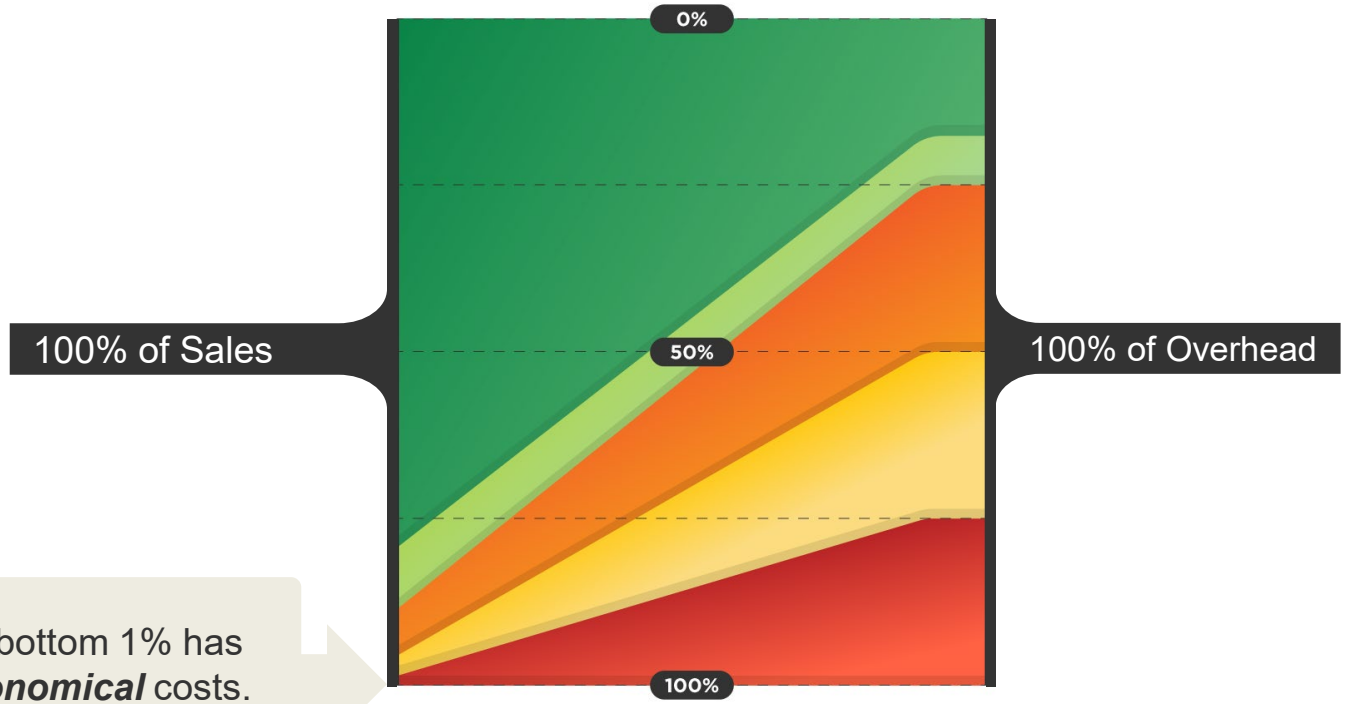
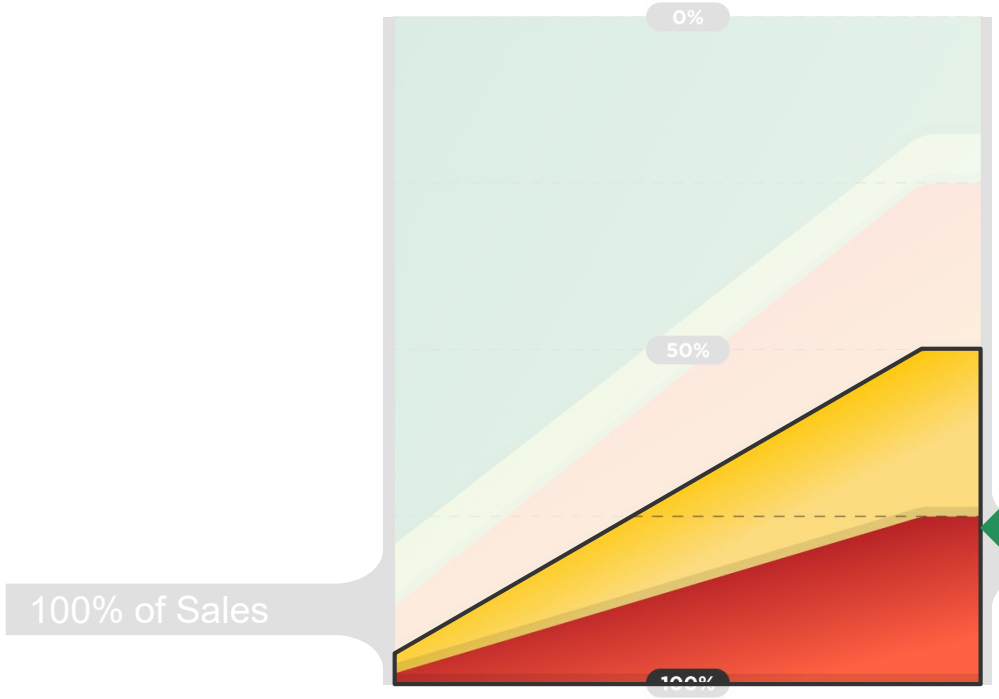


The bottom 1% has ***astronomical*** costs.

Product Portfolio Profitability Breakdown



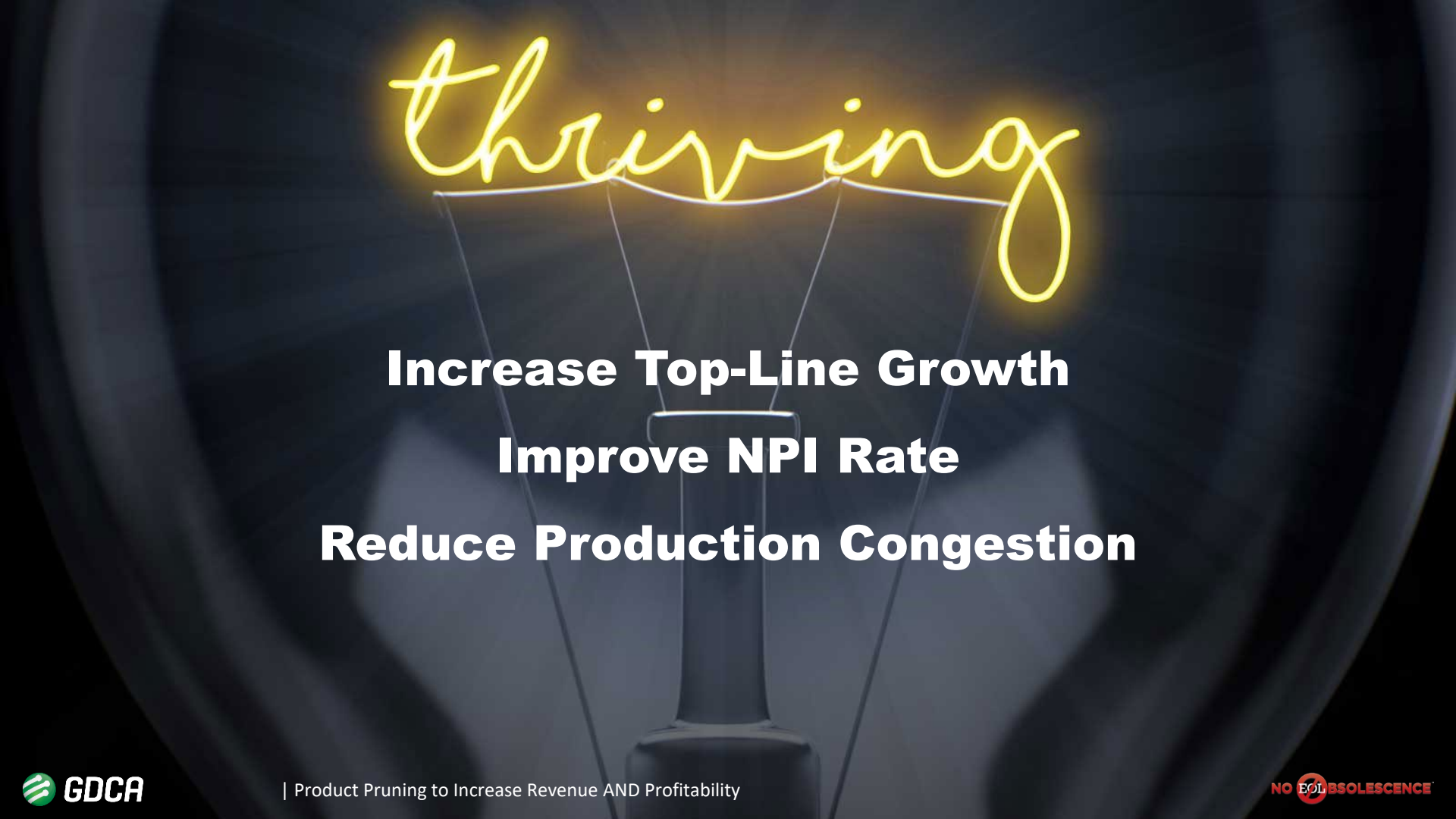
OEMs' Opportunity
Eliminate overhead costs for the bottom 1-4% of orders

Inspiring new behaviors

Sustainment Slog

1. Selecting
2. Separating
3. Capturing

Product Pruning



Increase Top-Line Growth

Improve NPI Rate

Reduce Production Congestion

PRODUCT PRUNING
+ INTEGRATED SUSTAINMENT
+ OUTSOURCING
= OEM OPTION$

Q & A