A passenger car manufacturer is looking for significant cost reduction potential regarding its engine family.

Objective is to reduce the engine costs 10% to 15% by a structured cost & value engineering approach.

Detailed analysis of current cost structure according components and functions.

Tear down and benchmarking of three competitor engines.

Carry out several interdisciplinary cost down workshops with FEV experts.

Documentation and evaluation of all cost down ideas in a comprehensive idea data base.

CAD redesign of selected components.

Carry out a structured sourcing process regarding selected items and ideas to receive market prices.

Knowhow transfer and training of clients staff.

>120 cost reduction ideas

About 15% cost reduction potential

Realization of first quick wins

Training of clients staff in methods & tools.

>1500 parts analyzed

3 benchmark engines

15% savings

>120 cost reduction

CASE STUDY

SMART COST REDUCTION
SMART COST REDUCTION

In order to significantly save costs on technical products, FEV experts from different areas proceed in an interdisciplinary manner. They make detailed analyses of existing cost drivers, benchmark products from competitors, and generate a calculation of target costs from the bottom up. In addition, they generate innovative solutions for cost reduction through Value Engineering and implement them by way of international sourcing — or commercially, through supplier management — at the required quality level. FEV extensively trains client employees and installs proven methods and tools. This ensures the achieved savings in the long term.

SERVICE LINES OF FEV CONSULTING

- Technology Roadmapping
- Connected and Automated Driving
- Powertrain Concept Studies
- Modularization Strategies
- Mergers & Acquisitions
- Product Development & Process Optimization
- Vehicles & Lightweight
- Smart Cost Reduction
- Manufacturing 4.0
- Supply chain management