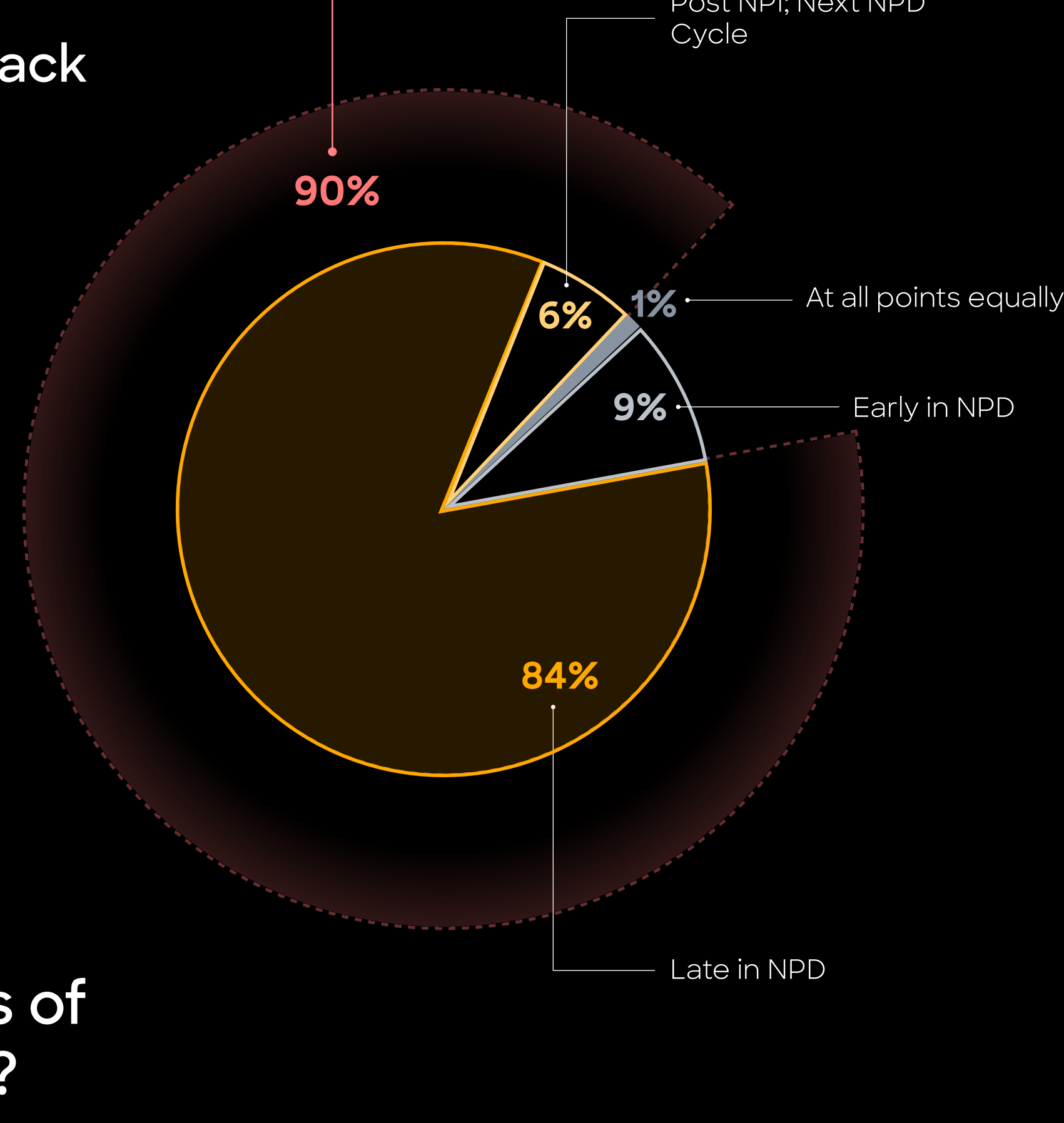


90%

of supplier feedback comes **too late** during NPD...



What are the consequences of late feedback?

- **6%** of supplier feedback comes after NPI; Changes are **not implemented until next NPD cycle**
- **35%** of supplier feedback comes late in NPD process; Changes lead to significant unplanned costs and rework
- **49%** of supplier feedback comes late in NPD process; Changes cause moderate rework

The downstream effects of poor supplier engagement during NPD

\$22,000 per minute

is lost by auto manufacturers when **production is halted**

(Anderson Economic Group)

\$5 Billion per year

is lost by the medical device industry every year **due to recalls**

(MedTech Insights)

33% Lifetime profit loss

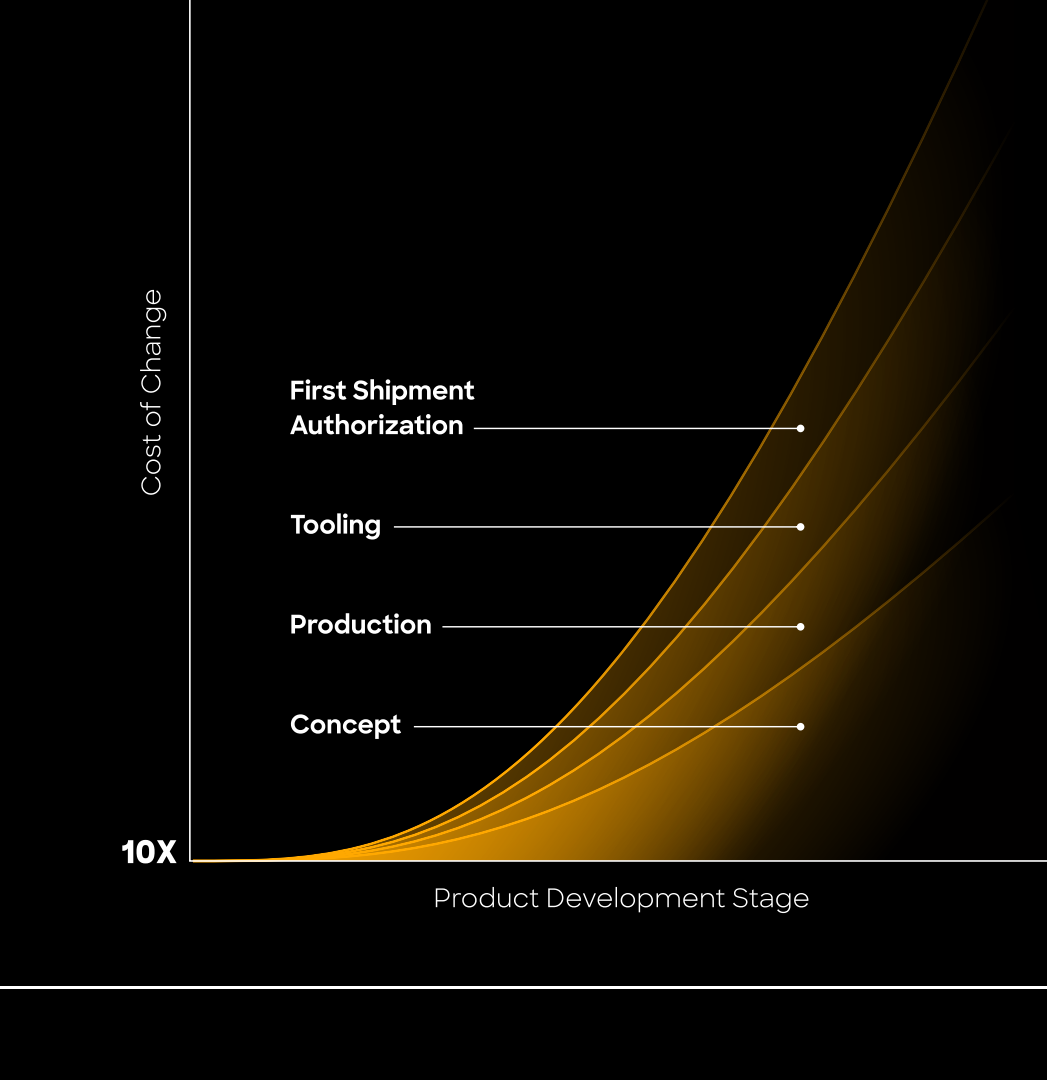
a 6-month product launch delay **decreases a product's lifetime profits by 33%**

(McKinsey)

12% COGS

increase from **supplier misalignment**

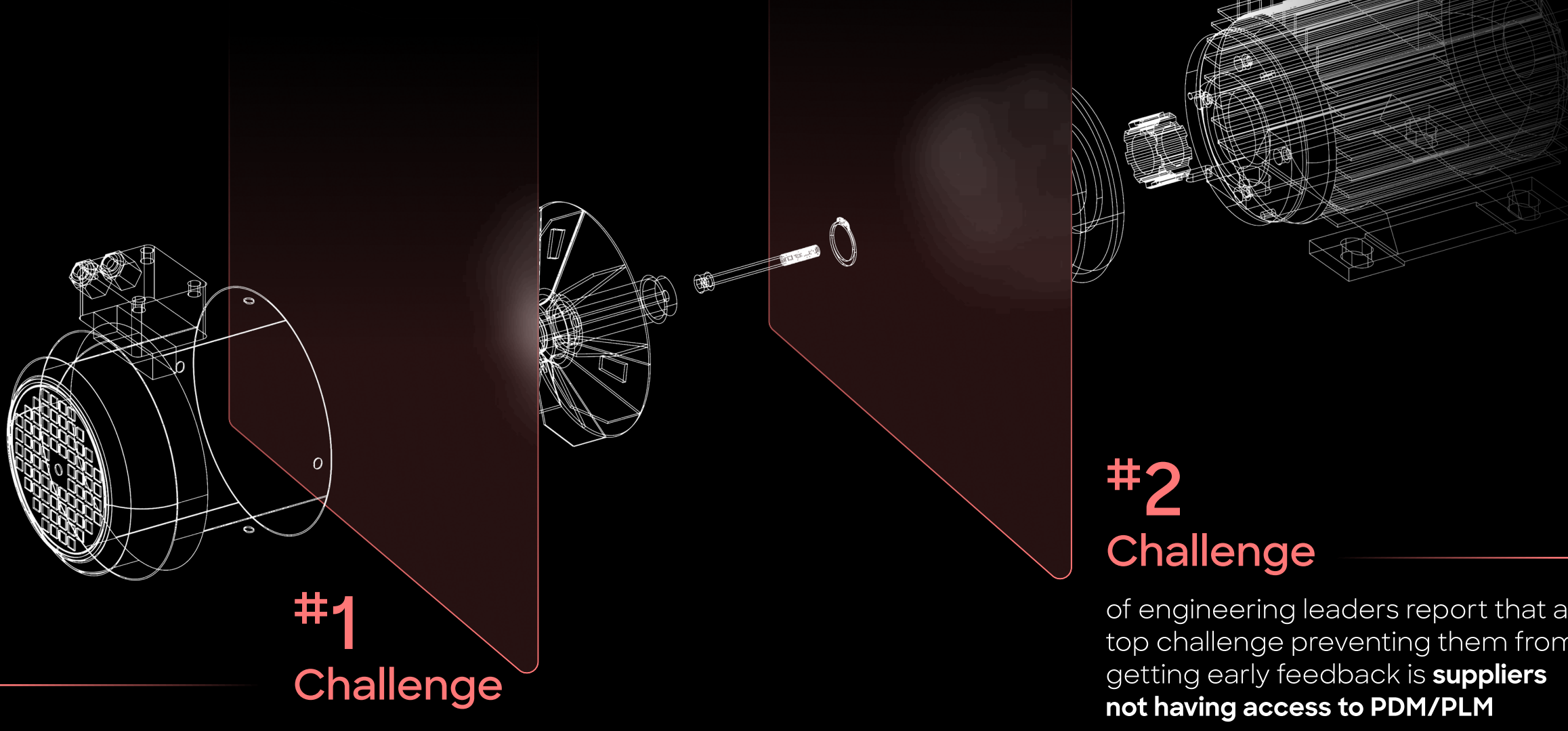
(Deloitte)



35% rise in costs from late-stage design changes (McKinsey)

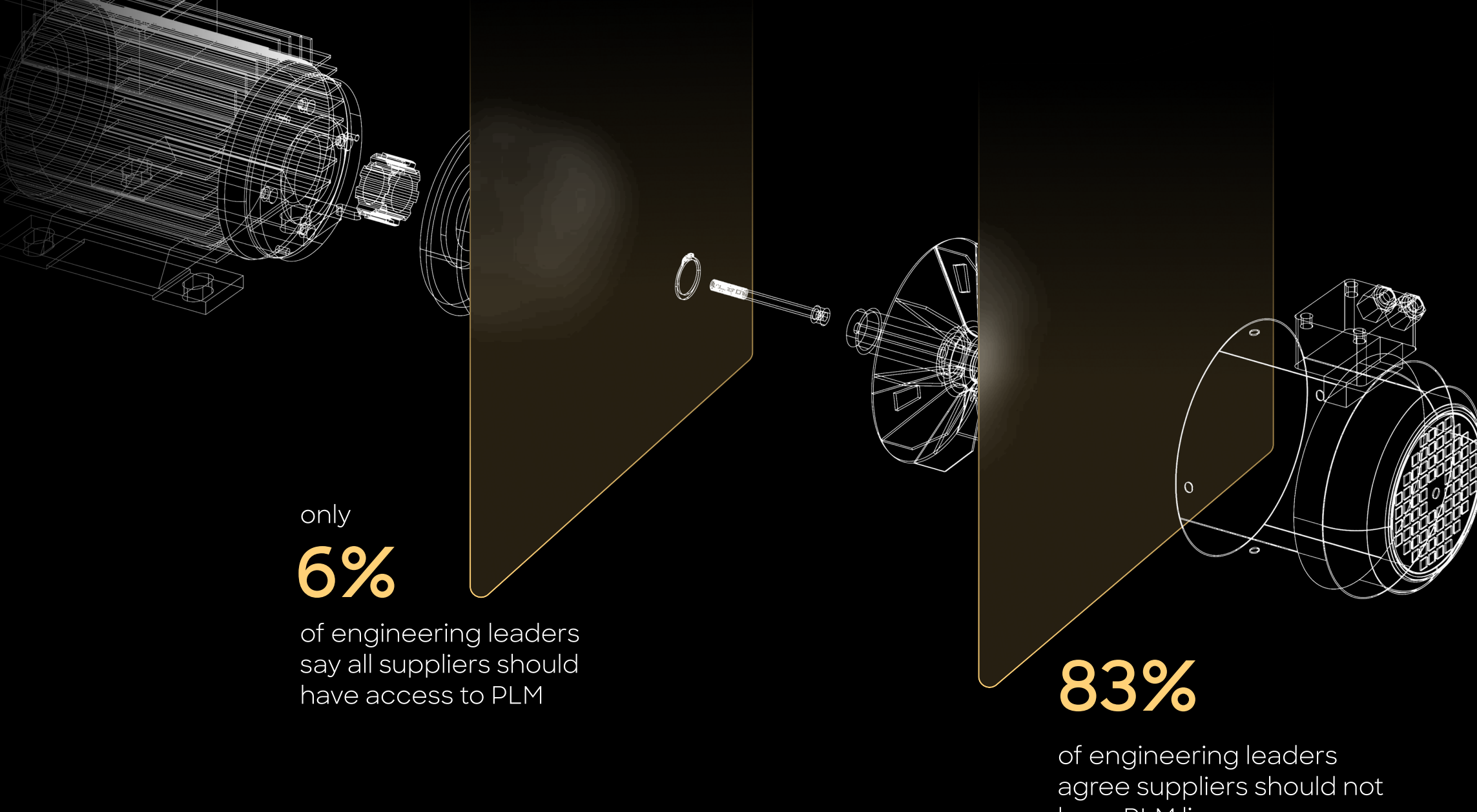
Why don't engineering teams prioritize early supplier feedback on designs?

We asked 250 engineering leaders: What keeps your team from engaging with suppliers on designs?



#2 Challenge

of engineering leaders report that a top challenge preventing them from getting early feedback is **suppliers not having access to PDM/PLM**



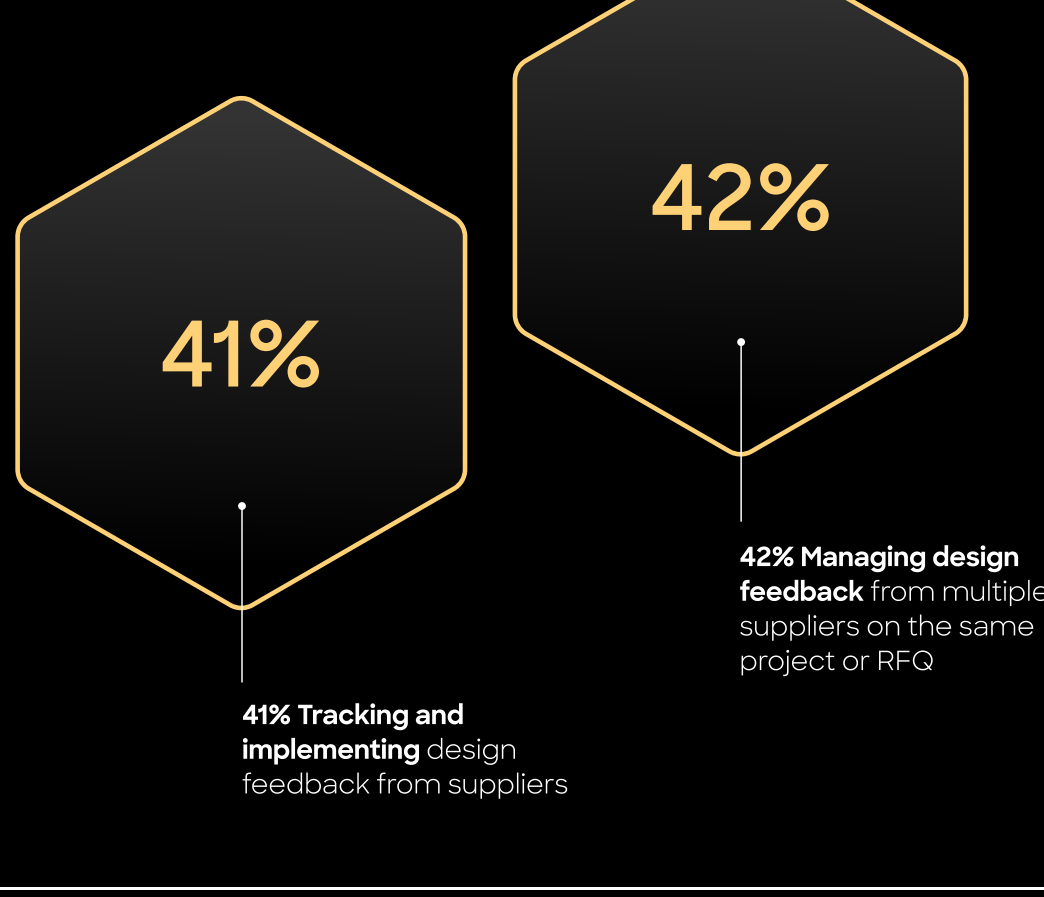
A Design Engagement System is a purpose built tool for running fast, effective design reviews with all stakeholders.

Feedback management keeps your team from co-designing with suppliers

Slow, legacy processes and inadequate feedback management tools keep engineering teams from tapping into their suppliers' expertise during NPD.

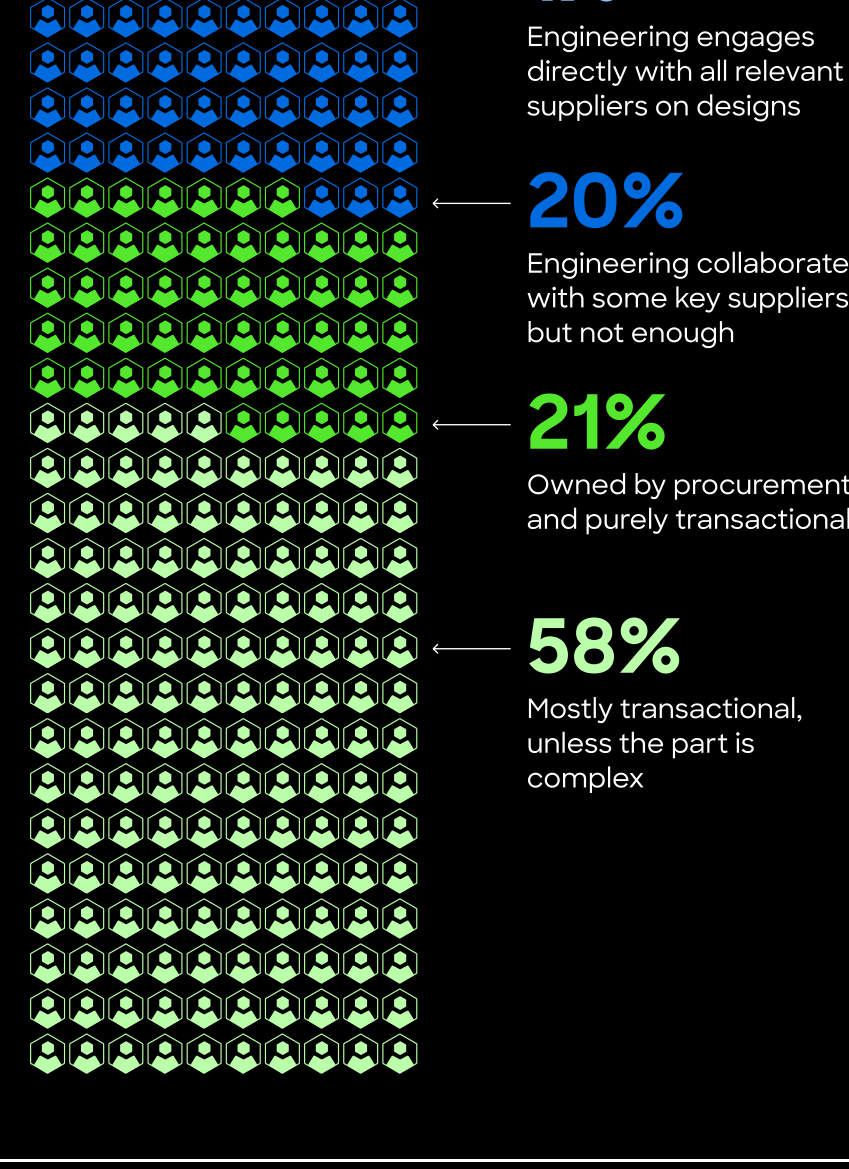
What does feedback management mean?

83% of engineering leaders say feedback management is the #1 challenge keeping teams from co-designing with suppliers.

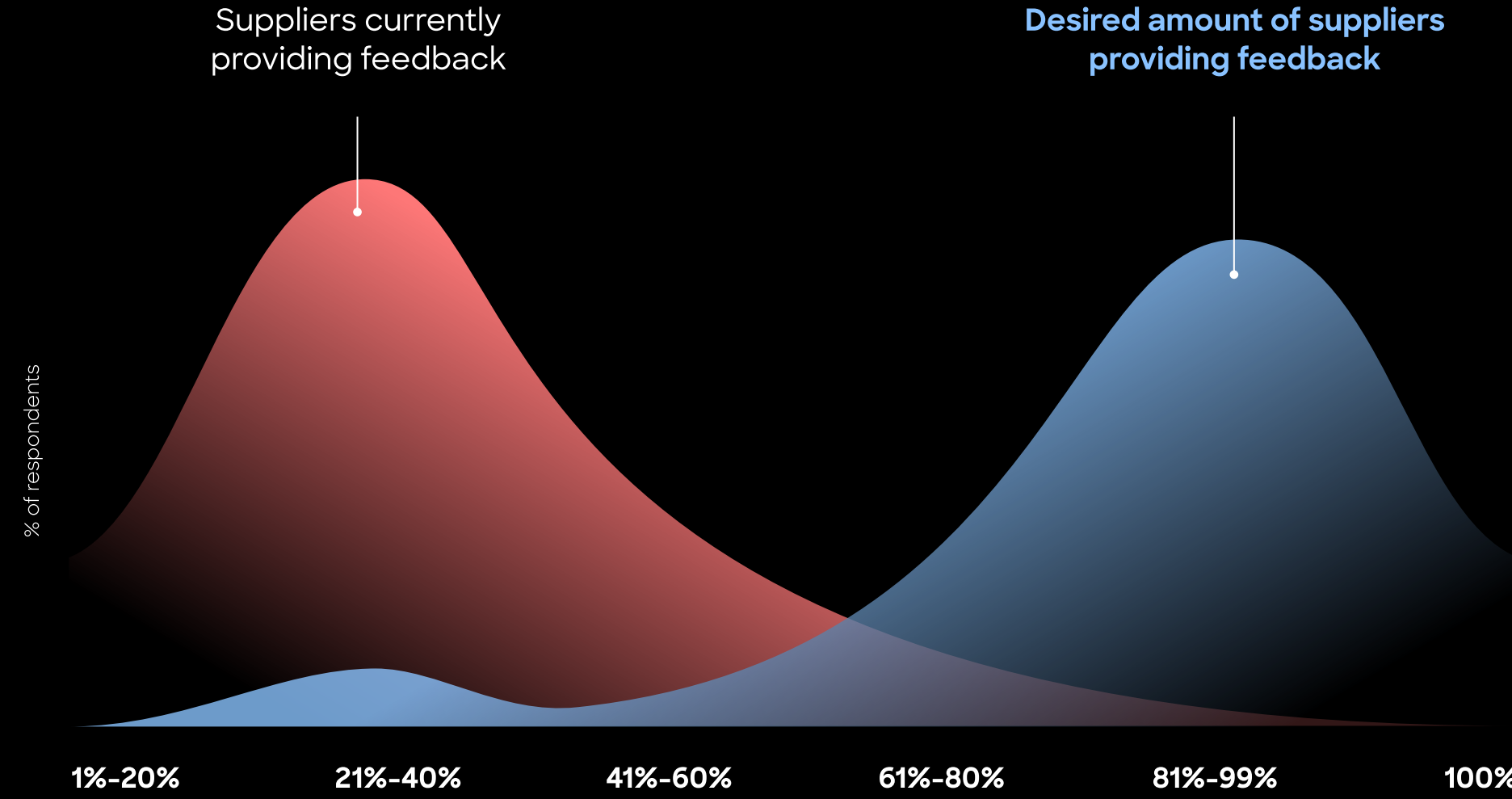


Only 1% of engineering teams engage with all relevant suppliers on designs

Engineering-supplier relationships are too transactional because they're limited by legacy tools and processes.



Despite the challenges, engineering leaders want feedback from more of their suppliers



The companies that prioritize supplier engagement will win – And AI is only widening that gap

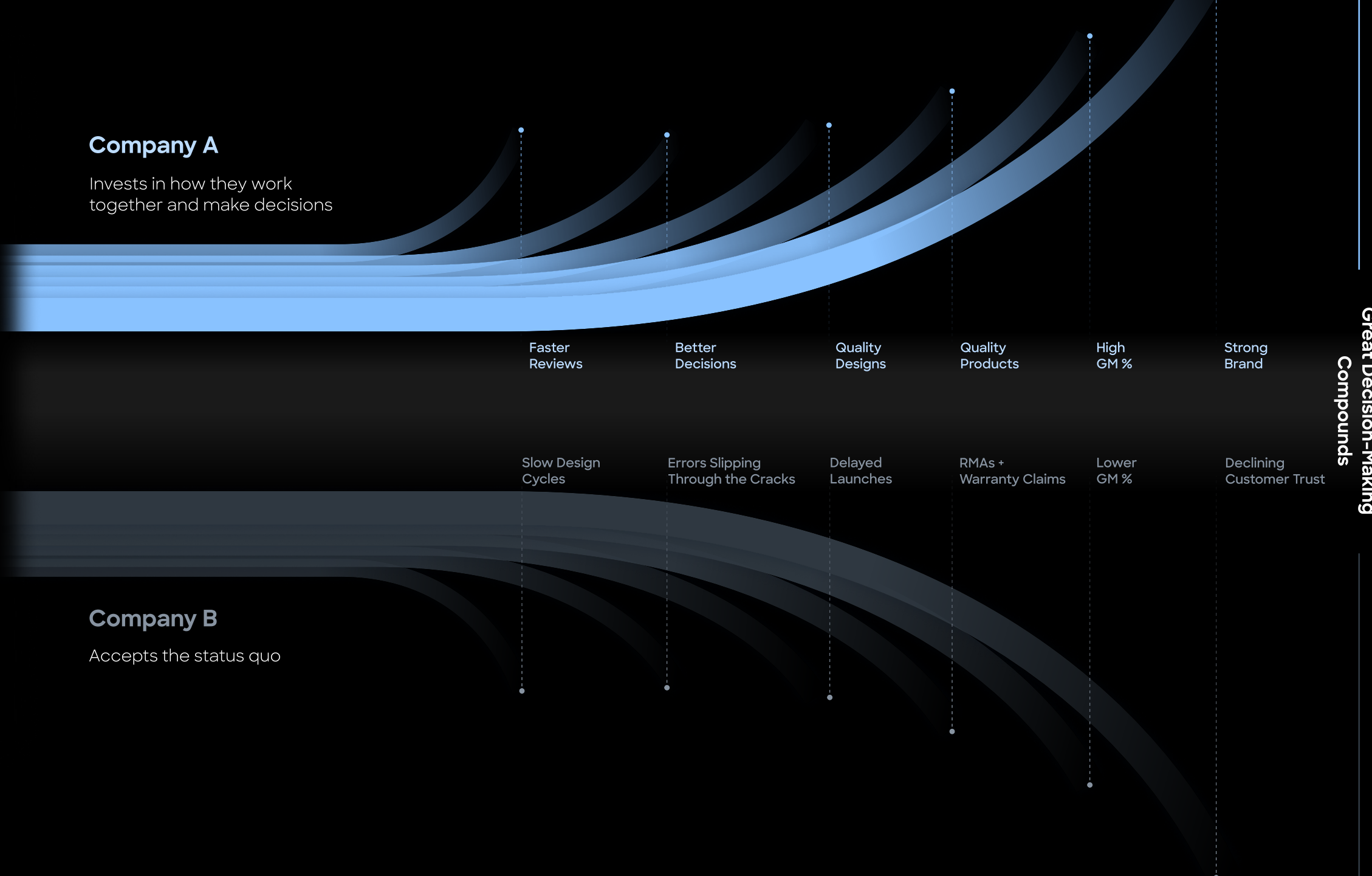
AI will completely disrupt hardware development in as little as 3 years

It took 20 years for PLM to become the standard in hardware product management. It took 5 years for Microsoft Teams to become the default communication tool. AI will be the standard even faster.



AI-driven companies will invest in how they work with supply chains early and often

Your most critical product decisions are made every day in design reviews. That means the success of product development hinges on how you make decisions – with every stakeholder's feedback.



If you're okay with being **Company B** ignore this message. If you're ready to be **Company A** go to: colabsoftware.com/ReviewAI

