WARRANTY COST RECOVERY WITH YOUR SUPPLIERS

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With increasing product expectations from customers, OEM’s are hard pressed to extend Warranties beyond typical time periods. Many OEM providers are also reacting to ongoing Warranty issues by immediately extending warranties for specific product issues, to satisfy and hopefully maintain their customer base. While other OEM’s are using extended warranties as a marketing tool.

The cost of these warranty extensions and issues can have a significant financial impact on an organization, in some cases these costs are the direct result of a Supplier issue. OEM’s are currently struggling on how to share these costs with the supply base.

This presentation will focus on developing policies within an organization to support the supplier Warranty Recovery process.

Participants will learn the following:

- Warranty is at the beginning, not the end
- Benefit of including warranty into your SOW
- Writing warranty as terms of your Supplier agreements
- Develop a system to support warranty recovery
- Closing the loop. The Recovery Process