



Customer Oriented Innovation as a Goal of Engineering

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At MMC, we are reforming our corporate culture at full speed, to revive the company under our Turnaround Plan.

People say MMC has been an engineering-driven company, and as a matter of fact, MMC has invented many remarkable innovative technologies thanks to its superior engineering and introduced them to the marketplace.

Although we have very competitive engineering capabilities especially in the power train as well as drive train, why is MMC currently forced to restructure to survive?

The answer is in customer's hand. New technology must bring merits to our customers, such as more convenience or better performance. At the same time, it should result in greater economic efficiency and reduced environmental impact.

Needless to say, customers select their cars based on complex buying criteria such as brand, price, design, dimension, performance, economy, environmental-friendliness, etc. A car which has only superior technology cannot be a best seller.

Of course, engineering capability will be still the one of most important factors for future survival, but we must abandon those technologies which customers do not regard as worth their price as well as those technologies which do not reinforce the MMC brand. Instead, we should depend upon outsourcing from companies with specialty in technologies.

We also must be able to predict those future technologies which customers will think are worth paying for, as well as future market trends, including competitors' strategies.

Therefore, it will be much more important to improve our market research activities as well as crossover activities between engineering and marketing.

Also, we have to clearly define our brand value as well as brand commitment to customers, and transform these principles into engineering guidelines as concretely as possible. Otherwise, we can not offer distinctive products with distinctive technology.

MMC's ultimate goal must be to offer exciting products to customers worldwide based on the appeal of the MMC brand. Therefore, we must develop vehicle technologies which excite and please customers. To create appealing technologies, engineers must have passion.

The growing integration of Seeds "Engineering" and Needs "Market" is feasible only after the realization of the above actions.

However, we should not forget the importance of production engineering as well as a production system that provides models with the highest-level of quality and reliability at the most competitive cost.

The Quality Gate system, which has been newly installed in MMC, assures the quality of our products and minimizes the gap between product concept and the actual product.

However, this system can be effective only based upon the consistent discipline of all its members.

In carrying out all these activities, we shall fully utilize the benefits of the alliance with DaimlerChrysler and harmonize it within MMC's engineering culture, to make MMC a unique Japanese automobile manufacturer with global competence.

Then, our Turnaround will be truly accomplished and we can prepare ourselves for the post-Turnaround future.