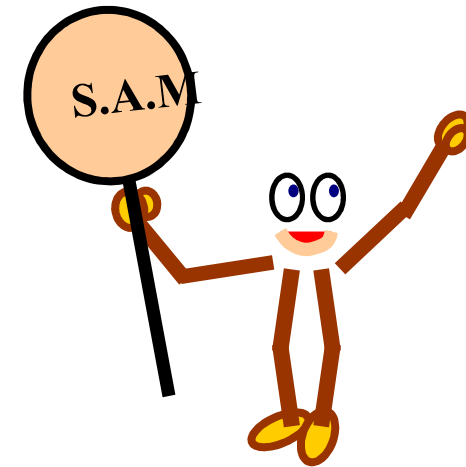


Operational Strategies for Critical Items (III)

- Supplier and/or buyer development
- Supplier account manager
- Total cost of ownership modelling
- Contingency planning
- Holding stock (balance benefits against costs)
- On-site supplier support & training



Buyer Characteristics

- Critical Items



- The buyer needs to be highly creative and a relationship builder
- It is important that negotiators are strategically oriented and don't damage the relationship
- Supply decisions for critical items should be made at the highest level

