

CASE STUDY



Johnson Controls Achieves Instant ROI After Implementation of Forming Technology Costing Solution

Forming Technologies Inc., – Oakville, ON, Canada

Johnson Controls, UK seeks cost-efficient methods to reduce part prices

Customer Concern:

- Reduce material cost
- Reduce cost estimating time
- Reduce Supplier price per part
- Reduce part weight
- Reduce time negotiating with suppliers



Solutions Provided:

- Utilize Cost Optimizer Software by FTI
- Used Cost Optimizer to estimate material cost, optimize formability and nesting before seeking supplier quotes
- Implement technology to change from a manual method for rapid, precise and automated design modifications

Results:

- Ability to set target price for suppliers to ensure Budget Integrity
- Ability to complete an automated part cost analysis up-front .
- Ability to determine "What-If" scenarios in material type, thickness and utilization at design stage

Summary:

- ROI targets achieved
- Budget Integrity Maintained
- Reduced Material Costs by 5%

"The software is recognised in our business as a powerful tool to reduce cost and we will be using it as part of our product launch process for all new programs. We will be using it also to challenge current programs to ensure that the quotes we have been given are representing the actual design." – James Gilmour, Johnson Controls