

J&M CONSULTING SOLUTION



J&M BUSINESS OPTIMISATION

Mastering the downturn – preparing for the upturn

- Rapidly reduce costs
- Unlock liquidity reserves
- Secure delivery capability
- Reinforce competitive advantage

MASTERING THE DOWNTURN

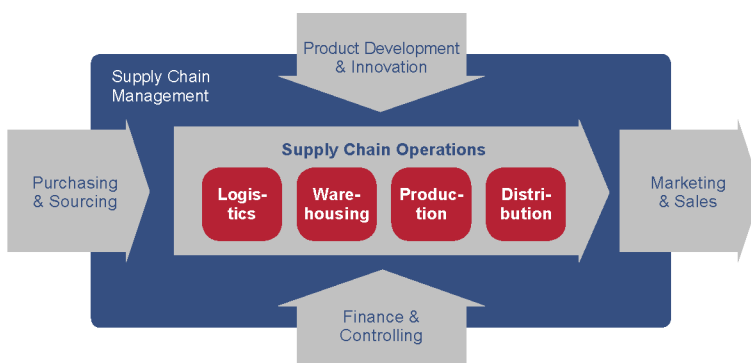
Reductions in turnover, order cancellations, high inventory levels and difficulties with credit and payment terms: all these factors require companies to react quickly, systematically and dynamically in the current crisis. Effective cost reduction is vital, and liquidity needs to be safeguarded. Although

the pressure to succeed is high, and there is a strong need for urgency, any measures taken by companies still need to be well thought through – as anything else could potentially threaten their very existence.

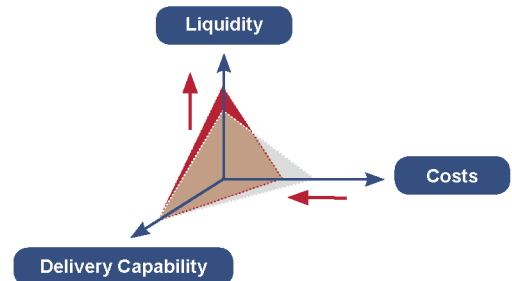
Successful corporate decision-makers achieve significant increases in performance – even during times of crisis! J&M's approach to BUSINESS OPTIMISATION facilitates the identification and rapid, targeted implementation of tangible and sustainable measures.

1. Fast adaptation: Adjust to the crisis – quickly and systematically

In the initial phase, we will support you in streamlining your firm's business processes and corporate structures. This phase delivers improvements in costs, working capital and liquidity – and safeguards your delivery capability and market position. Simultaneously, we will work jointly on ensuring that the measures implemented are efficiently monitored and managed throughout the value-added chain.



Liquidity	+ 30%
Costs	- 30%
Lead times	- 60%
Inventories	- 40%
Margins	+ 25%



1.1 Short-term cost reduction: Eliminate non-value-adding activities

Typically up to 50% of a company's activities create no added value for the client. Up to 95% of lead and cycle time consists of waiting time and idle periods. Associated cost needs to be taken out. Based on our extensive knowledge of industrial and corporate dynamics we can support you in:

- Eliminating non-value-adding activities in a targeted and sustainable way
- Streamlining organisational structures and processes
- Implementing cost-effective measures in a focused step-by-step approach

1.2. Unlock liquidity reserves: Optimise working capital management

Leveraging on our methods and experience, we can identify significant cash reserves within companies. Up to 30% can typically be tapped into by optimising:

- Inventory and receivables management
- Supplier contracts
- Supply chain processes
- Site performance assessment

1.3. Secure delivery capability: Establish cost-optimised flexibility

J&M utilises Supply Chain Risk Assessment tools and approaches to ascertain the correct drivers for:

- Maximum flexibility of processes
- Improved demand forecasting
- Safeguarding of supply for your firm

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PREPARING FOR THE UPTURN

2. Strategic direction setting: Taking the initiative to reinforce competitive advantages in the long-term

Once the most pressing challenges have been dealt with, you can use the momentum created to quickly re-grasp the initiative, correct structural deficiencies and actively improve strategic positioning. In this second phase of J&M's approach to BUSINESS OPTIMISATION we will work together on systematically developing a road map and blue print for the future business.

2.1. Identifying opportunities: Developing strategic options

The current turmoil opens up a multitude of new opportunities linked to:

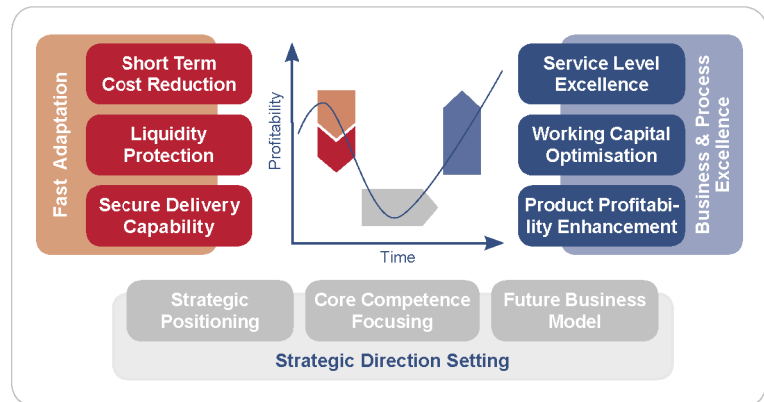
- Changes in client behaviour
- Products, services and distribution concepts
- Attractive acquisitions

It is vital to identify these opportunities before your competitors do, and together we will develop strategic options for your company.

2.2. Strengthening competencies: Identifying and consolidating factors for success

The factors which have brought you success in the past need to be re-assessed and adapted to the new business situation:

- Does your current business model match changes in market behaviour?
- Will clients, markets or competitors present you with fresh challenges in the future?
- Which skills are becoming increasingly important to your company?
- Is your company suitably proficient in these skills?
- Is your IT environment capable of fulfilling future requirements?



2.3. Achieving market supremacy: Reorienting business systems

This enables a thorough evaluation and management of measures and risks, covering for instance:

- Phasing-out business models which are no longer viable
- Strengthening skills critical to success
- Clearing out non-differentiating competencies
- Clearing the portfolio of unprofitable product and market sectors
- Accelerating supply chain processes for new business dynamics
- Classifying client requirements and optimising distribution channels

Appropriate measures will be highly individual and company-specific. Identifying, designing and implementing them requires a high degree of consulting experience, sector knowledge, and mastery in appropriate consulting tools and methods. This business reorientation will be linked with targeted optimisations which push your company towards the next 'S-Curve' of business and process excellence.

FIELD EXAMPLES

Area	Result
Total Lead Time	from 253 down to 129 days
Unit Costs	reduced by 47%
Employee Productivity	increased by 40%
Waste	reduced by 85%
Stockturn Frequency	doubled

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IDENTIFYING DRIVERS, IMPLEMENTING THE RIGHT MEASURES, ACHIEVING SUSTAINABLE RESULTS

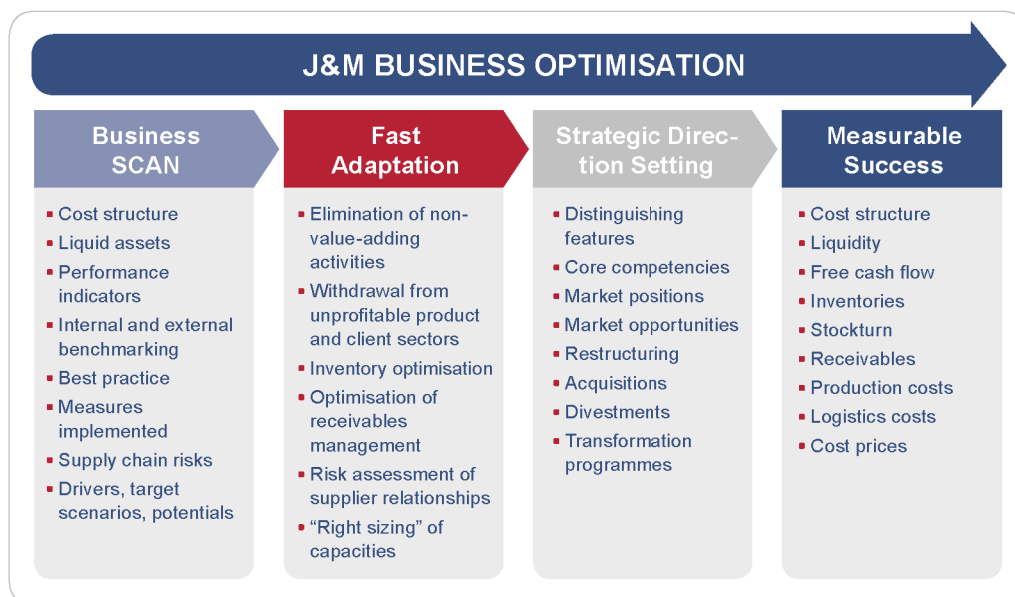
J&M Management Consulting combines excellent management consulting with innovative IT consulting along the end-to-end value chain of industrial manufacturing companies.

As a result of many years of consulting experience, J&M has developed effective methods and approaches for the fast, efficient and sustainable design of business models and value chains. These methods and approaches enable managers at our clients to react to changes in the short term whilst optimising business performance over the longer term.

J&M BUSINESS OPTIMISATION offers you:

- Targeted analysis of fundamental drivers
- Rapid situational assessment
- Concrete recommendations to safeguard your short-term business
- Directional support as you structure long-term growth
- Efficient implementation control
- Value-based fee structure

Take advantage of our wealth of experience, IT expertise and systematic approach – and come out of this crisis even stronger with J&M’s approach to BUSINESS OPTIMISATION.



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