

Case Study

Bombardier Transportation

Bombardier is a world-leading manufacturer of innovative transportation solutions, from regional aircraft and business jets to rail transportation equipment, Bombardier Inc. is a global corporation headquartered in Canada. Its revenues for the fiscal year ended Jan. 31, 2005, were \$15.8 billion US and its shares are traded on the Toronto Stock Exchange (BBD).



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In 2005 the management of Bombardier Transportation (BT) identified the Low Cost Countries of Central and Eastern Europe as a major strategic supply source for the future. Alpha Management was commissioned to support BT in the establishment of a regional procurement organisation (IPO) to be based in Prague.

The full scope of Alpha's work included:

- Advising on future organisational needs of the IPO including consideration of the permanent location
- Providing office space, IT and telecommunication facilities, prior to establishment of the BT Prague IPO office
- Identifying, pre-qualifying and visiting potential suppliers in a number of key areas as set out by BT, using BT selection criteria and procedures and with agreed volumes, timescales and target prices
- Review and critique of RFQ process including recommendations for methodology and training of IPO technical staff.
- Identifying supplier development needs and proposing development programmes.
- Working with BT HR departments to recruit permanent staff for the BT Prague IPO office.
- Staff were recruited in the disciplines of Engineering, Quality Assurance, Procurement, Supplier ID
- Reporting formally on progress and results in an approved format to BT IPO senior management on a regular basis



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The BT Prague IPO office formally opened at the end of 2005 and has delivered significant cost savings to BT by switching supply sources from western to eastern European suppliers.

News and information are available at www.bombardier.com