

Dynamics of the OEM Markets

Session Chairman

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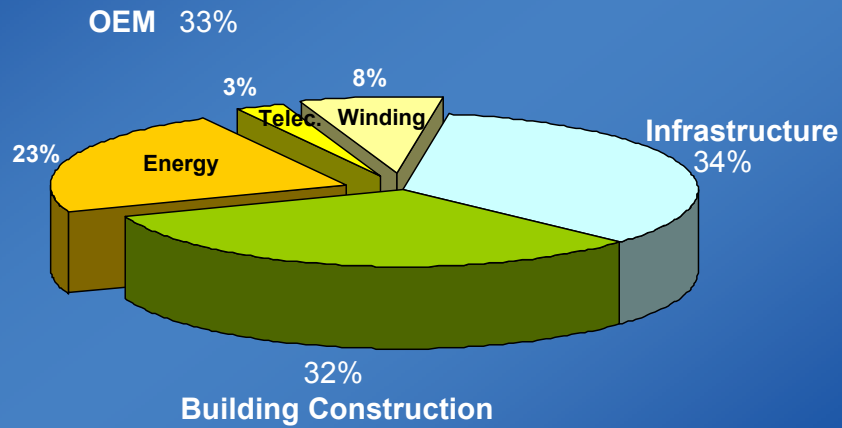
Ladies and gentlemen,

now we start the second session for the day. My name is Bo Rasmusson and I am happy and honored to chair this session.

Our topic is called “Dynamics of the OEM-Market”

We want to show the importance and dynamics of this market. This market is experiencing major change.

Dynamics of the OEM-Market

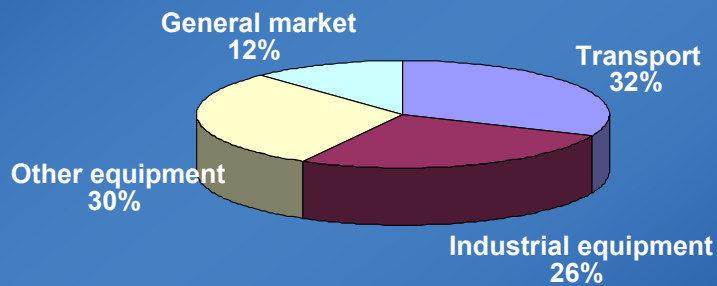


The importance of the OEM & General market becomes apparent if value rather than volume is taken as a measure.

It is estimated that the segment's market value was US\$ 21.3 billion, or 33% of the entire wire and cable market. Energy cables is by far the largest product group within the OEM-market. The source is a report from ICF prepared by Metalica in 2004.

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The OEM-Market



This diagram shows the volumes in conductor weight.

The top 50 OEM assemblers account for almost 80% of the total OEM business. The automotive industry is the largest consumer of cables within the OEM-market, close to one third of this market.

The home base of most of the really large OEMs is still in the mature markets for industrial and consumer goods, namely the United States, Western Europe and Japan. However, this picture is changing rapidly, with Korean companies now well established in the ranking and more recently companies from China and one from Brazil entering the list.

Dynamics of the OEM-Market

1. The Globalisation of the Japanese Cable Industry

Hiroshi Kobayashi

Metal Economics Research Institute, Japan

2. Sourcing Strategies

Michel Paglia

Valeo Group Asia, China

3. Challenges for Suppliers

Erik de Wit

Tyco Electronics, Netherlands

4. Drivers for Cost Effective Supply

Nick Sowden

Electrolux, Singapore

To describe this market in more detail, we have invited four speakers who will give their view on what is happening on this playground.

- First Mr. Kobayashi from Metal Economics Research Institute will talk about "The Globalisation of the Japanese Cable Industry". Mr. Kobayashi is a senior analyst with this institute where he is focused on strategies and activities of major mining companies and electric wire & cable industries of the world. Before this employment, he was employed by Hitachi Ltd. and Hitachi Cables, in the international division.

-The second speaker is Mr. Michel Paglia, Purchasing Director from Valeo Group. His contribution is called "Sourcing Strategies". His main career has been in the automotive sector with about 30 years seniority with Valeo in different departments, branches and divisions

- The third contribution is called "Challenges for Suppliers" and the speaker will be Mr. Erik de Wit from EMEA (Tyco). He is General Sales Manager in the Commercial Vehicle Industry EMEA, Global Automotive Division and responsible for the sales and marketing to the OEM's of trucks, agriculture and construction equipment and the main supplier to these industries. He is also the Global Account Manager for Volvo AB. His office is in the Netherlands.

- Our fourth and last speaker will be Mr. Nick Sowden, Purchasing Manager from Electrolux Asia. His contribution is called "Drivers for Cost Effective Supply".