

costdata[®] calculation

Situation

Procurement is constantly obliged to minimize procurement costs. Especially for A-class-parts, that account for about 80% of the procurement volume and that usually don't underlie functioning competition, it is not possible to obtain those savings through simple price comparisons. To lower the procurement costs of those products it is necessary, that the buyer is able to evaluate the justification of price claims. Therefore, a high degree of cost transparency is required, that is usually not existing in the procurement department.

Goals

costdata[®] calculation is a product cost calculation software designed to fit the needs of the purchaser. The goal of the **costdata[®] calculation** is to provide procurement with the cost transparency necessary for successfully conducting price negotiations. Procurement is taking advantage of this transparency in many perspectives:

- The justification of prices can be evaluated
- All saving potentials are detected
- Price negotiations can be conducted objectively based on incontestable facts
- Arguments for the price negotiation are deduced
- The acceptance of the supplier is increased because the buyer is arguing fact-based and is using the same information like the supplier
- The presentation of the calculation is very clear and easily understandable for both sides
- In cooperation with the supplier optimizing potentials can be detected, so that a win-win-solution is created
- Conflicts are prevented because both sides understand each other better

Method

costdata[®] calculation calculates product costs on the basis of the actual cost situation of the supplier and his manufacturing processes. The required data can either be researched by the operator or by costdata. The software calculates the exact product costs and identifies all cost drivers. As a result all saving potentials are being displayed.

costdata GmbH

Josef-Lammerting-Allee 10
50933 Köln

Tel.: +49 221 93 46 78 - 0
Fax: +49 221 93 46 78 - 9
E-Mail: info@costdata.de
www.costdata.de

Bankverbindung

Sparkasse KölnBonn
BLZ: 370 501 98
Konto-Nr. 1 78 12 629
Commerzbank
BLZ 370 800 40
Konto-Nr. 0 39 23 75 700

Geschäftsführung

Dipl.-Ing. Frank Weinert

Sitz der Gesellschaft

HRB 68169, Amtsgericht Köln
Steuer-Nr. 223/5803/6060

The product costs calculated with the **costdata**[®] calculation software are very precise, actual and flexible for different reasons:

- **Calculation accuracy:** Every step of the production process can be captured by the **costdata**[®] calculation software up to the smallest detail. Averages are rejected so that the exact precision of the result is guaranteed.
- **Extensive data base:** A bulk of the data that is needed to calculate product costs has already been researched by costdata and aggregated in large data bases. Currently these data bases cover wages and salaries, machine and working place data of 15 branches in 194 regions worldwide. Additionally, there are differentiated overhead cost benchmarks available, that represent the cost structures of representative companies in the covered branches. These data can be integrated into the calculation easily, so that the speed of the calculation is rapidly increased.
- **Actual overhead factors:** In opposition to all cost calculation programs in practice all overhead cost factors can be calculated on a daily basis with the **costdata**[®] calculation. Because overhead costs account for up to 40% of the product costs depending on the manufacturing depth the **costdata**[®] calculation software is reaching superior precision.
- **Capability of simulation:** The consequences of all changes, that a supplier is carrying out with respect to his manufacturing processes or his overhead cost structure on the product costs can be calculated with **costdata**[®] calculation easily and quickly.

Result

The **costdata**[®] calculation facilitates the buyer to encounter his distribution partner on eye-level. Because the buyer now understands the calculation of his supplier he is able to control the price negotiation and to direct the conversation towards critical cost drivers and manufacturing processes. Simultaneously he can detect means of reducing costs and claim cost reduction potentials for himself.

Buyers, who calculate their procured products with the **costdata**[®] calculation lower their procurement costs in the short- term, sustainably and considerably.

costdata GmbH

Josef-Lammerting-Allee 10
50933 Köln

Tel.: +49 221 93 46 78 - 0
Fax: +49 221 93 46 78 - 9
E-Mail: info@costdata.de
www.costdata.de

Bankverbindung

Sparkasse KölnBonn
BLZ: 370 501 98
Konto-Nr. 1 78 12 629
Commerzbank
BLZ 370 800 40
Konto-Nr. 0 39 23 75 700

Geschäftsführung

Dipl.-Ing. Frank Weinert

Sitz der Gesellschaft

HRB 68169, Amtsgericht Köln
Steuer-Nr. 223/5803/6060