

# Collaborative Product Development Process Helps a Customer Win a Big Contract

## The Challenge

A leading manufacturer of tonneau pickup truck covers was losing market share because of cost and availability of current product.. They reached out to Herculite to develop ideas to reduce lead time and lower their product costs, while still meeting key performance metrics.

## Desired Outcomes

- Cost reduction of 33% against current solution.
- Establish key product performance criteria.
- Engineer product that meets or exceeds the performance and cost criteria.
- Ensure product PPAP approval.

## Strategies & Solutions

- Analyze composition and performance of incumbent material along with several other comparative materials to establish baseline product performance KPIs.
- Include potential high-quality, domestic-based, raw materials suppliers in product development process to ensure performance and cost optimization.
- Partner with customer to present finalized solution and test results to automotive engineering team to ensure PPAP approval.
- Collaborative project management representing the full supply-chain, including suppliers and end-users, to insure the achievement of pricing target.

## Results

The end-result of this product development was an improved material that cost less and met performance requirements for automotive manufacturing approval. The customer was then able to secure a multi-million dollar contract with a major automotive manufacturer.

**\$25,000 Cost Savings Annually**  
**\$1,000,000/Five Year Profit From New Contract**

