

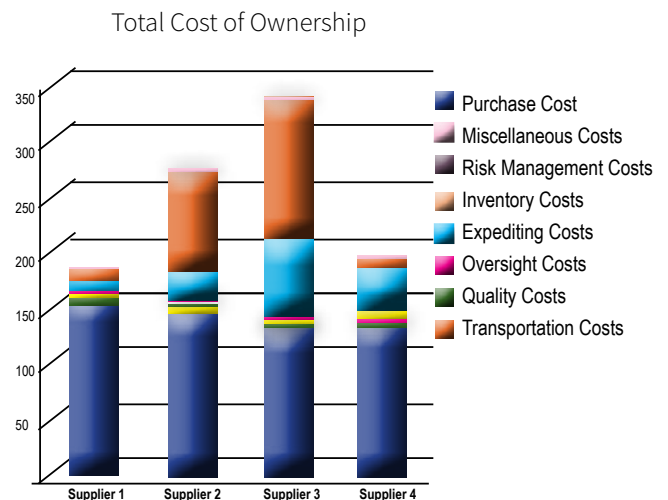
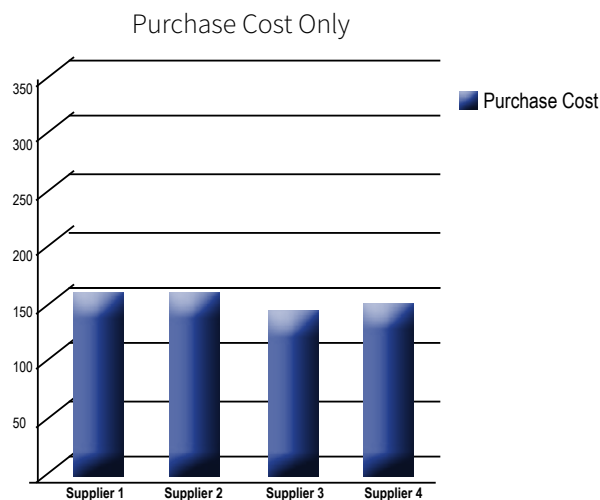
TOTAL COST OF OWNERSHIP - Supply Chain Strategy

Often purchase cost or landed cost is the only consideration when making purchase decisions. Total Cost of Ownership (TCO) gives companies the ability to account financially for each activity along the supply chain, including costs associated with the acquisition of materials, transportation, inventory, storage, expediting and oversight.

TCO help companies make strategic sourcing decisions and the TCO Calculator can facilitate side-by-side comparisons of up to 4 suppliers, analyzing multiple sourcing possibilities on a global scale.

As the charts below illustrate, selecting a supplier based on product costs alone can lead to higher overall costs.

Traditional vs. TCO Cost Comparison



This program provides participants with an overview of Total Cost of Ownership Concepts and Components



This working session is comprised of the following key educational items:

- Defining common TCO terms and concepts
- Learning to identify and measure TCO costs
- TCO cost categories and elements using the TCO data collection form
- Using the TCO calculator which includes:
 - An overview of TCO calculator input & output screens
 - Discussion of alternate sourcing decisions based on TCO results

For more information contact info@nepirc.com.