



WORKSHOP 1:

Lies, Damn Lies, And Warranty Statistics

Presenters:

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Workshop Summary

Recent years saw the advancement of Warranty Management to a prominent position across all industries. Organizational warranty teams were created, processes addressed and systems developed. Software vendors are regularly coming to the market with more powerful and sophisticated tools. However, the underlying statistics utilized by most manufacturers, with the exception of limited few, is somewhat questionable.

The workshop, based on real life examples and case studies, will address the shortcomings of commonly accepted methodologies. It will also point out the applicability areas for more sophisticated distributions: Normal, Weibull and others.

The methodology utilized by Aculocity, LLC at a number of clients resulted in substantial warranty cost reductions. In one case, in 50% over the three years.

Who Should Attend

The target audience should include anyone who **MAKES DECISIONS** based on warranty analysis and reporting. Even though the workshop's title contains the word "statistics", it does not require any special mathematical or statistical knowledge from the attendees. In fact, it will be more beneficial to CFO's and Warranty and Quality Managers than to report analysts or IT personnel.

The provided examples will be kept as generic as possible, thus not limiting their applicability to a specific industry.

Learning Points

- **Shortcomings of simple ratios approach in evaluating true warranty costs and defect levels**
- **Methodologies for Early Warning**
- **The limitations the data origination points (customers, dealers, suppliers, OEM's) impose on warranty data quality**
- **How to forecast warranty (accruals, provisions, budgets and bathtubs)**
- **Proven methodology to achieve substantial warranty reductions.**