



Automotive purchasers unaware of supplier risks

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Purchasers of the raw materials necessary for technological-advancement in the automotive industry are unaware of the issues surrounding their supply, according to analysis.

The analysis from purchasing consultant BrainNet has concluded that many of the raw materials used in the "technological revolution" of the automotive industry are "scarce, subject to price volatility or sourced from politically unstable regions", Supply Management magazine has reported.

Sven Marlinghaus, partner and managing director of BrainNet, told Supply Management: "Technology change represents a paradigm shift for purchasing in the automotive industry. [It] will be competing for raw materials with companies from other industries who adapted their supply chains to these materials years ago."

Mr Marlinghaus added that purchasers need to better understand the supply chain risks and cooperate more with technological departments and invest in supplier development.

BMW was recently named as the official Automotive Partner of the London 2012 Olympics and will provide a low-carbon fleet for the event.

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