

## **Frost & Sullivan's Conference on Working Towards Global Competitiveness: Focus on Auto-Component Industry**

*One of the success stories of Indian manufacturing sector is that the auto components sector has been sailing on the tide of burgeoning export demand and increased demand on the domestic market. The conscious move towards reducing the cost of vehicle has greatly sharpened the competitive character of the auto component industry. The regional concentration of the sector in NCR, Pune & Chennai in India has paved the way for competition between companies across continents.*

Gurgaon ([PRWEB](#)) April 13, 2005 -- The global automakers are focusing on designing, assembling and marketing rather than investing money and time in expensive vendor development programs. As the auto manufacturers look for lower cost components, the component manufacturers based in India offer a higher value proposition. More so, the low cost production and engineering capabilities of Indian auto component manufacturers give the manufacturers a winning edge.

In order to focus on the high value components, global automakers are looking at India for outsourcing of its high volume components. Though presently the high volume-low value components are the mainstay, this is expected to pave the way for high value components exports. The positive guidance is based on the expected generation of confidence in the Indian components industry and also the scaling up of manufacturing capabilities.

Indian auto component manufacturing, currently restricted by lack of large capacities, is slowly but steadily working on expanding capacities and automation levels. As the users' increasing become discerning in their buying behavior, new model introduction by the auto manufacturers has become the trend. Greater variety in vehicle offering challenges manufacturing capabilities and economies of scale of component suppliers. Hence the component industry is constantly looking at maintaining lean and efficient manufacturing systems.

The chain of auto component manufacturers, equipment manufacturers and automation vendors redefine itself to complement each other's competencies. This in turn enjoins the automation vendors to offer solutions to component manufacturers aimed at achieving this objective. The complexities of component manufacturing bring together equipment manufacturers and automation vendors for a total automation solution.

"Having established themselves in the domestic market, tapping opportunities abroad was a natural step for the auto component manufacturers in their growth path. The Indian auto component industry is eyeing a bigger share of the export market and in the process ramping up its manufacturing capabilities to meet the capacity and quality requirements. During 2004, the auto component industry increased its investment by 17% while the automation purchase by this industry registered a growth of over 40%. The Indian automation vendors have risen to the challenge by offering solutions aimed at equipping the component manufacturers to take on the international competition," says Y.S Shashidhar, Industry Manager, Industrial Practice, Frost & Sullivan, India.

With nearly 100 years of experience in the automotive industry, Rockwell Automation offers complete solutions - technology, engineering, manufacturing control and information solutions - which help leading automotive manufacturers and their suppliers maintain a real marketplace advantage. By combining integrated architecture with proven automotive manufacturing solutions, it provides accurate, event-driven information



about materials, operations and finished-product requirements in order to quicken time-to-customer - the ability to deliver and receive the right components, in the right quantities, at exactly the right time and place," says Scott Summerville, President, Asia Pacific, Rockwell Automation.

Frost & Sullivan and Rockwell Automation partnered for this conference to offer to the auto component industry the future growth perspectives as envisioned by the manufacturing automation. Frost & Sullivan, with its close association with the Indian auto industry and the manufacturing sector shared the requisite understanding in this critical segment of industry.

Rockwell Automation, a total automation solution provider and widely acknowledged technology leader, shared its rich experience in auto component manufacturing automation. Speakers from the automotive manufacturing sector discussed their views and the future trends expected. The conference brought together the auto component manufacturers based in northern India and offered an excellent opportunity to update themselves in the latest technology offerings to meet the manufacturing and business needs.

About Frost & Sullivan - Frost & Sullivan, a global growth consulting company, has been partnering with clients to support the development of innovative strategies for more than 40 years. The company's industry expertise integrates growth consulting, growth partnership services and corporate management training to identify and develop opportunities.

Frost & Sullivan serves an extensive clientele that includes Global 1000 companies, emerging companies, and the investment community, by providing comprehensive industry coverage that reflects a unique global perspective and combines ongoing analysis of markets, technologies, econometrics, and demographics. For more information, visit <http://www.frost.com>.

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