

Company: ATP Industries Group Ltd.
Location: Cannock, UK
Type: Original Equipment Manufacturer / Remanufacturer (OEM/OER)
In reman: Since 1970
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The Home of Remanufacturing



Product

Automatic, Dual clutch transmissions

Core Sourcing

Cores are retrieved from vehicle OEM or dealers through service contract.

Business Model

ATP is the major remanufacturing partner to a world-wide portfolio of Original Equipment Manufacturers (OEM's). ATP wins ReMaTec Remanufacturer of the Year 2013 which recognises the company's achievements in the remanufacturing field. ATP currently has

contracts with most of the OEMs: Chrysler, Ford Motor Company, Ford Turkey, General Motors, Mitsubishi, Colt Cars, Unipart Jaguar and Unipart, London Taxi International, Aston Martin, Proton, Mobis Hyundai and Mobis Kia.

The value chain operates through 3 main actors: the remanufacturer (ATP), OEM and/or local dealers (the customers for ATP), and the end-users (the customers for OEM or local dealers). OEM collects the cores from the end-users and sends them to ATP for remanufacturing. The remanufactured products will send back to OEM and the OEM will give them back to the end-users with surcharge to ensure the cores returning for remanufacturing in future. The remanufacturing process details in attachment.

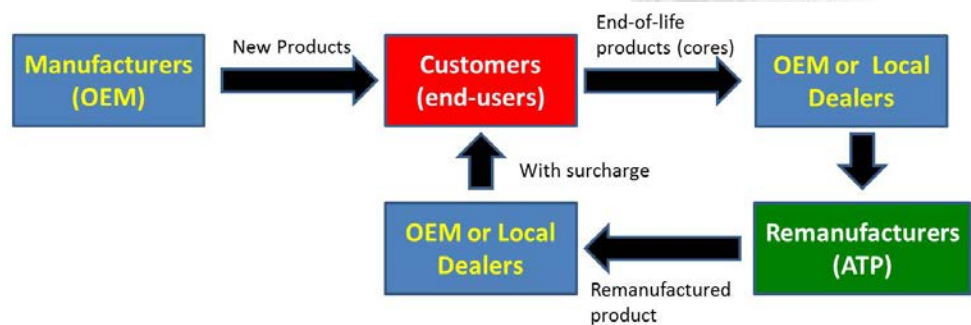
The challenges ATP encountered are cores collection and phase change of the transmission. "Core is king!" Without cores, there is no programme for remanufacturing. Some product designs are not inherently suited to remanufacturing processes which can impact the feasibility of a project or the core yield, which is a critical measure. Over past years, more regulations were established so the specification of transmission changes rapidly. These changes lead to some components no longer being used for remanufacturing new module cores which affect the existing program being set up by the company for remanufacturing. The main benefit of the ATP remanufactured product is to reduce their customers' (OEM) warranty costs. For example, if the transmission has a known failure mode and hasn't been corrected for new transmission before inserting into the vehicle, the vehicle will fail again within warranty period where add cost on their customers again to repair the vehicle for their end-user. In contrast, the remanufactured products give their customers the benefits to limit the failure mode and to update the product to the latest specifications so reduce any chance and resulting costs that the end-users return the vehicles in the warranty period.

ATP thinks everybody is the key resources e.g. personnel, facility etc. Technical staff is the most important among the resources. ATP have 5 year business plan regarding selling strategy, what product should look at etc. The economic performance will be assessed by annual forecast, profitability of the products, and business operation system (BOS) reviews where performance versus various parameters is measured.

The main challenges to improve ATP business are: to maintain and grow the profitability of the business; to improve the efficiency of the remanufacturing process. By improving the process efficiency, ATP will be able to utilise the resources well to support fluctuating demands from their customers and the market.

Economic Benefits

The price depends on the type of the remanufactured products and the costs for remanufacturing. Roughly, the company aims their remanufactured products' price is 60-80% to that of the newly manufactured products.



Environmental Benefits

The remanufacturing stops raw materials being scrapped. The process in general will have benefits of energy saving (~75%), less CO2 emission (70 – 80%). The company will also recycle the waste oil for heating oil, and reuse packaging to save environment. The company also has ISO1400; the first remanufacturer achieves this accreditation.

Social Benefits

With the business growth, ATP creates about 15 jobs for local community from 2014 – 2015. ATP also supports social activities such as sponsor of local business award, providing dinner for elder people around Christmas time etc.

Advanced Materials Recovery

During the remanufacturing process, the electronics inside transmission is recovered. In addition, many components in transmission are made of alloys and aluminium and are reused in remanufacturing process so these materials are accountable for materials recovery.

Attachment: Remanufacturing Process



TYPICAL TRANSMISSION PROCESS FLOW

