

Case study trek product

Business



The role of the buying centre at Trek Bicycles is to find the best suppliers and vendors for the organization's purchases as mentioned on page 170 of the case study. Also stated, is that the buying centre consists of a purchasing manager, buyers, representatives from research and development, production, and quality. When they are considering a new buy the process begins with a manager specifying a new product or material that may be needed to produce a Trek product. The product manager then works with closely the entire buying centre to find suppliers and vendors that can meet Treks requirements for quality, size, and delivery.

Question #2 When evaluating a new or current supplier or vendor Trek uses a specific set of criteria to ensure they are or still are the best match for Trek and its customers.

Once a supplier or vendor is identified it is evaluated on a specific set of criteria. The four criteria are quality, delivery capabilities, price, and environmental impact. For vendors and suppliers who are already working with Trek they are also evaluated on an ongoing basis to ensure they continue to meet the requirements of Trek.

This allows them to keep a record of how the vendor or supplier is performing. The reference is tracked on a tool called a "white paper".

Michael Leighton of Trek explains It's a sheet of paper that managers can look at that shows issues and benefits relating to working with these people"

Question #3 One of the evaluation criteria for Trek is environmental impact showing that they want to know how the vendors and suppliers measure up

in “ green” technologies and how they are trying to be environmentally friendly.

The organizational buying at Trek reflects its future of growing into Echo-buying. The bikes at Trek are becoming “ smarter” and “ greener” as mentioned on page 171 of the case study. One aspect that appeals to Trek is knowing that the suppliers and vendors had a “ thorough understanding” of the Impact of the product on the environment, being more aware of the Impact the suppliers and vendors have they were able to select a supplier recently that (1) owned a quarry for extracting materials, (2) used its own manufacturing facilities, and (3) used natural gas instead of coal.

Question #4 If Trek were to consider looking into new technology for current products they sell this would be considered a new buy. This may be because they have heard of a new type of material that could benefit or work better than a current product they are using.

If a new material for the grips came in that was made of recycled rubber Trek may want to look into using this product in place of ones it may be using currently.

Once Trek has an item they know they will use over and over and qualified suppliers to order from they would do a straight re buy. When the supply of the product is low it can be ordered without checking with others in the organization such as the engineering, production, or quality control departments. Trek may use all of the same style reflector lights on their products. This is one of the safety features of most bikes and you would want to have easy access if you ran out.

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If a new supplier or vendor came into play and Trek had considered them to be a qualified supplier or vendor of tenet company teeny may want to KICK Into now teeny are producing certain products and material Trek is already using, In this case Trek would do a modified re buy.

They may want to look into how the products are made and what materials they use to make sure they are using the highest or quality for the lowest cost without affecting the evaluation criteria. If a new company can produce carbon fiber frames Trek may want to see what the cost is compared to the current supplier they were using for carbon fiber.