

Joseph Markun, Caterpillar

Global Competitiveness

By Rayna Coe, MBA 2014

The presentation by Joe Markun with Caterpillar was the most instructive, in my opinion. Joe Markun's discussion focused on the importance of the Caterpillar Dealer Network and having a strong relationship with their customers globally to drive the financial strength that has afforded them competitive advantage in the industry. Their strategy is ensuring that customers are "profitable and create a more sustainable world", stockholders see them as a strong long-term investment, and that their employees are engaged in a safe and inclusive environment. These goals help them to keep the costs of discovering and

developing new customers, investors, and employees low, thereby increasing profitability and an opportunity to focus more on their Integrated Supply Chain Strategy. This strategy consists of a supply chain cycle that includes Advanced Planning, Sales & Operations Planning, Supply Chain Execution, Capability Building and Supply Chain Network Design. This cycle is driven by a Vision Statement to "Create and sustain a high velocity lean supply chain that is flexible and responsive enabling the enterprise business model", and Performance Metrics that include Inventory Turns, Customer Delivery, Supplier Performance, Quality. These work together to build a cost efficient, competitive supply chain.

I was very impressed with the talk given by Caterpillar. He had a very strong presence and spoke about the impact of Global Competitiveness. He covered topics within this segment such as: diversified products, the need for global growth, and production systems. The one topic that interested me the most was the need to realign Caterpillar's Supply Chain.

The speaker, Joe Markun, is a Global Quality and Manufacturing Engineer. As I stated, he covered many topics within global competition. The specific need for adjustment by Caterpillar peaked my interest because of how it became an issue. After talking about the need for global growth, he then made the claim that CAT's growth has come so fast that it has caused problems within the supply chain. The expansion created long shipping lines of products and parts.

I was impressed with how he covered the necessity to grow, but the control and preplanning necessary to not incur more rifts in shipping. Though making parts and products are cheaper abroad, there are many repercussions that were mentioned by several of the speakers during the conference. To grow globally is important, but so important to overlook the costs associated with the supply chain.

Overall, Joe did a great job of explaining competition in a global nature. I enjoyed the specific topic that I covered because it is a very controllable factor to stay competitive. The topic is also relevant to any company in any industry. The wide breadth of coverage is key and dictates priority talking points over menial topics.

By Chase Ritter, BSM 2013



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