

# Driving Supplier Diversity



# Dana Supplier Diversity: The Drive Continues...

As we closed out 2018 in January, the foundations built provided a great launch into 2019. We ended 2018 with more than \$203M in diverse spend to slightly surpass our forecasted goal of 10% of controllable spend with diverse suppliers by \$4.3M.

Growth and efficiency were keys to our success. The launch of the Acro Service Corporation MSP for industrial staffing into our plants, Turtle & Hughes expansion, and additional customer platforms were key business influences on our diverse spend goal.

A thriving supplier diversity program cannot be achieved without the intentional efforts of our buyers and plants. We would like to celebrate these top contributions toward Dana's 2018 Supplier Diversity goals.

Indirect Buyer	Spend
George Kean	\$67,294,613
Barb Wolak	\$16,344,767
Ryan Sherman	\$ 9,502,895

Production Buyer	Spend
Rodrigo Esquivel	\$16,311,038
Macy Kocevar	\$ 6,829,358
Reynold Noronha	\$ 5,837,568

Plant	Spend
Ft. Wayne	\$38,182,014
Dry Ridge	\$15,684,750
Lima	\$ 9,456,776

Queretaro – Cardanes:  
\$8,267,634  
MBE, WBE, VBE  
Birmingham:  
\$2,532,355 MBE

Our 2019 goal is \$213M or 14.3% of controllable spend. We are currently at 69.4% of our goal, as of August.

To meet our targets for this year and beyond, we are developing strategies that focus on processes and targeted commodities. During the first half of 2019, the PA team created a report that increases the accuracy of customer reporting metrics and goal status. We have introduced a global commodity plan to better inform purchasing teams of current diverse suppliers and spend data. And, we benchmarked supplier diversity training with the purchasing teams in June.

Teamwork makes these results possible. It is the contributions of each member that produces the metrics we have achieved, the processes by which to monitor them, and the positive feedback from our customers and peers in the Diversity sector.



## 4 Years of GM Silver!

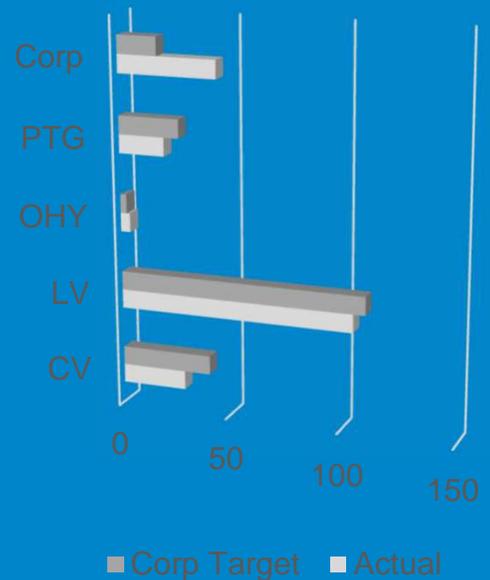
For the fourth consecutive year, Dana Incorporated was awarded General Motors' Driving Diversity Silver Impact Award. The award recognizes GM's top 50 largest suppliers in diverse spend. Additionally, the award requires all spend be reported on time each quarter, as well as meet or surpass GM's Tier 1 supplier spend goal.

Diversity is included criteria of our customers' scorecards. Each customer sets a percentage goal for Tier 1 suppliers to achieve. Quarterly, the Purchasing Analytics team compiles vouched diverse supplier spend from the plants and corporate purchasing to submit into customer portals.

## Diverse Spend vs. Target

Fiscal Year Total 2018

In Millions



# Diverse Supplier Spotlight: BAE Industries, Inc.



One of the strengths of Dana is the ability to adapt to the progressive changes in the industry, serving as an automotive pioneer. One example is a recently completed pilot in the **Internet of Things (IoT)**. Dana, in collaboration with LiveSource, eMoldino, PK USA and minority-owned stamping supplier, BAE Industries, Inc., worked together to test and develop strategies for this new methodology of exchanging data in the manufacturing sector.

BAE Industries, Inc., a leader in the metal manufacturing industry has been a strong and consistent supplier to Dana since second quarter of 2016. BAE supplies stamped parts to Dana's Dry Ridge, Kentucky, and Toledo, Ohio, plants and has developed prototypes for Dana WHQ. They pride themselves on a business model that includes using technological advancements to provide high-quality parts to their customers.

The past several months, BAE participated in an IoT pilot program with Dana. BAE allowed an IoT eShotLink wireless counter device and transmitter by eMoldino to be placed on two pieces of Dana tooling at BAE's manufacturing plant.



*Pictures courtesy of eMoldino and are not a Dana site.*

IoT allows for a network extension of devices, beyond standard tech devices that include electronics, software, and connectivity to connect, interact and exchange data remotely. A machine such as manufacturing tooling is typically a non-internet enabled device. In this pilot, the eShotLink wireless counter device and transmitter equipped the tooling at BAE with sensing, processing, communication, actuation, and networking capabilities, essentially creating a "smart device," in manufacturing. As the machine ran, the transmitter conveyed data to a LiveSource module through a site Internet connection. This sent data related the tool's location, rotation, maintenance needs and safety issues. IoT benefits both Dana and BAE as a dynamic response to product demands and real-time optimization of manufacturing production. It provides predictive maintenance and statistical evaluation reducing unexpected downtime and increasing productivity.

This partner project with BAE exemplifies the enthusiasm of suppliers to apply technology and innovation to achieve greater manufacturing benefits. Diverse suppliers, in some cases may be smaller, but they have the agility to act on opportunities and the mindset to create a foundation and path to something larger, just as IoT is destined to do.

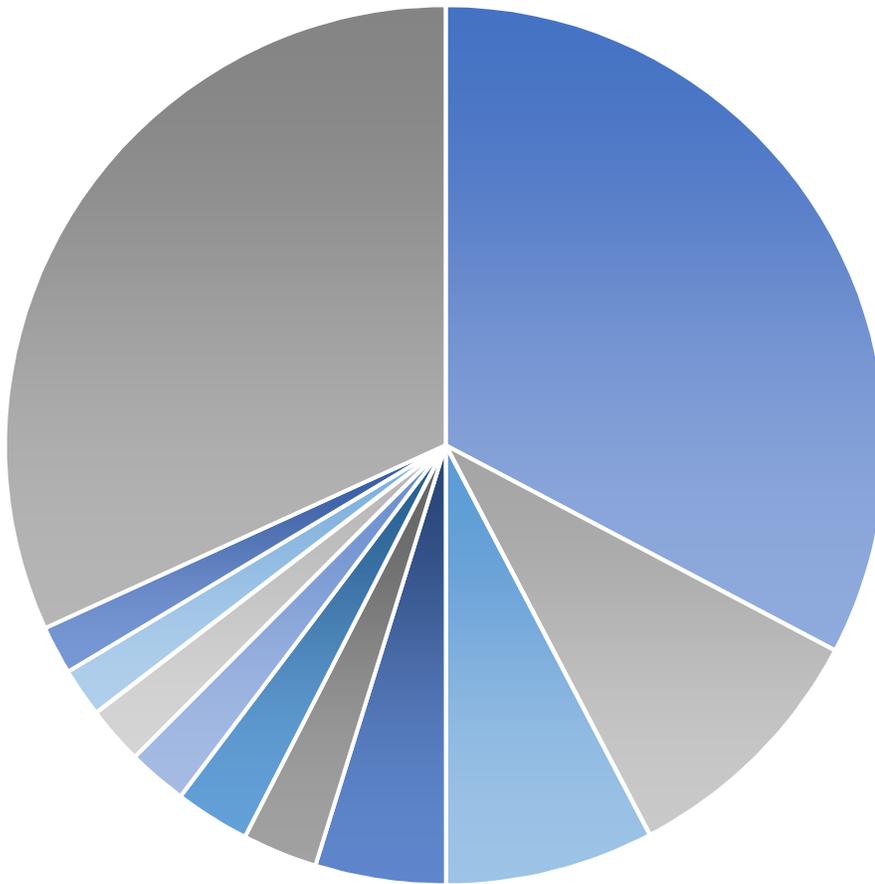


## Diversity Upcoming Events

- September 12: FCA 2019 Matchmaker
- September 17: Dana 2019 Supplier Awards
- September 24: Great Lakes Women's Business Council (GLWBC) Conference & Trade Fair
- September 26: Canadian Aboriginal Minority Supplier Council (CAMSC) Business Achievement Awards Gala
- October 4: Michigan Minority Supplier Development Council (MMSDC) ACE Awards Gala
- October 30: APACC Blood of the Dragon Networking Event
- November 6: Toyota Opportunity Exchange
- November 14-15: WBE Canada 2019 Tradeshow & Gala



# Top 10 Diverse Suppliers by Spend 2019 YTD



- Turtle & Hughes, Inc.
- Presrite Corporation
- Acro Staffing Inc.
- Tum Logistics, Inc.
- Aztec Manufacturing Corp.
- R.j Logistics, LLC
- International Trade Winds, LLC
- Kirsch Transportation Services, Inc.
- First Call Temporary Services, Inc.
- Global Capital, Ltd.
- Other Combined

## Dana Diversity, An Award-winning Core Value:

In 2018, Dana's Diversity program received awards from:

- Canadian Aboriginal Minority Supplier Council (CAMSC): Tier 1 Champion of Supplier Diversity
- Great Lakes Women's Business Council (GLWBC): 2017 Excellence in Supplier Diversity Award as an "Emerging" Company

Nominations in 2019 include:

- FCA Diversity Finalist
- CIPS Procurement Academy, Diversity Finalist
- MMSDC Diverse Buyer of the Year
- Great Lakes Women's Business Council (GLWBC): 2018 Excellence in Supplier Diversity Award as an "Emerging" Company

