ICoR 2017

Where themes of **Capitalism, Cannibalization** and **Product Obsolescence** made headlines

Academic conferences are sometimes less than riveting, but Erik Sundin at Linköping University did a great job of blending a cocktail from dry academic papers on obscure aspects of modelling, practical site visits and "fruity" presentations from the commercial world. http://www.remanufacturing-conference.com/images/ICoR-17-program.pdf We took away these three learning points to share with you:

1. The poorest people have the most to gain financially from renting the highest quality white goods according to Patricia Van Loon from the Social Innovation Centre at INSEAD. Patricia won the award for the best paper at the conference with her submission *Comparing leasing and buying white goods for the manufacturer and consumer*: http://www.aeki.se/ICoR-17/Van%20Loon%20et%20al.pdf.   A Dutch company, Bundles, has implemented these academic findings and its sales are growing quickly: https://www.bundles.nl. Whilst this is an example that could give capitalism a better reputation, let's not get sentimental just yet. In the UK, Bright House adopted a similar business model https://www.brighthouse.co.uk but in October 2017 were fined £14.8 million by UK financial authorities for abuse of their poorest customers: https://www.moneysavingexpert.com/news/reclaim/2017/10/brighthouse-customers-to-share-148-million-of-refunds

2. During our site visit to Toyota (Materials Handling), Anders Nielsen delivered a presentation on why offering remanufactured machines did **not** cannibalise sales of new equipment as some in the company had once feared.   In fact, sales rose because inventory costs fell, and because Toyota had been able to offer an immediate customer fulfilment service when they most needed it.

3. On day three of the conference, delegates listed 10 issues to research over the next two years. Designing data management systems to enable product life extension was an underpinning idea, and one that has links to Industrie 4.0. If a product is designed to be remanufactured it cannot be attacked as part of the obsolescence debate. https://industrie4.0.gtai.de/INDUSTRIE40/Navigation/EN/industrie-4-0
    IBM will be leading a discussion on this topic for members of the European Remanufacturing Council at their Paris meeting on 27th November. Could this be a great leap forward for remanufacturing and refurbishment or – if the data management framework is badly designed – could it have a negative impact on product life extension? This challenge generated some excitement and we look forward to revisiting this and other issues at ICoR 2019 at ReMaTec in Amsterdam.

Conseil Européen de Remanufacture
37 Square de Meeus -
4th Floor, 1000 Brussels
☎ +32 (0)2 791 7667
www.remancouncil.eu

The Conseil Européen de Remanufacture
is managed by Oakdene Hollins

OAKDENE HOLLINS
RESEARCH & CONSULTING

Registered in England & Wales 2937129

Photo courtesy of Erik Sundin, 2017

David Fitzsimons giving a keynote address and highlighting the work of the European Remanufacturing Council at ICoR 2017 conference in Linköping, Sweden (24-26th October).

Note the involvement of Rodney Copperbottom while questions were raised as part of the on-going debate on product obsolescence.