



# OEM North American Production P.O. Contract Terms and Conditions Comparative Analysis

Report to OESA Annual General Meeting of  
Members

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# OEM Comparative Analysis

Original Comparative Analysis published by OESA in May 2002

- Compared contract terms and conditions from 7 OEMs
- First published document to help North American suppliers compare OEM contract terms and conditions
- By 2004, already out-of-date



# OEM Comparative Analysis

Comparative Analysis completely revised, updated, and expanded for 2004

- Covers revised contract terms from 5 OEMs (Ford, GM, Nissan, Toyota and VW)
- Adds contract terms from 2 additional OEMs (BMW and Hyundai)
- Adds OESA Model Terms and Conditions
- Expands commentary
- Overall 50% increase in content



# OEM Comparative Analysis

Comparative Analysis presented at October 26 Seminar

- Covered intellectual property, warranty & recall, tooling, and termination & default
- Many similarities—many differences—but no single overall “best” or “worst”
- Relationship as important as contract terms
- Important to review contracts with customers and suppliers on a regular basis to eliminate any gaps
- Encourage suppliers to consider adopting as much of the Model Terms as possible



# OEM Comparative Analysis

Thank you.