

# Contents

<i>List of Figures</i>	<i>vii</i>
<i>List of Tables</i>	<i>ix</i>
<i>List of Contributors</i>	<i>xi</i>
<i>Foreword</i>	<i>xiii</i>
<b>INTRODUCTION</b>	
1 Product Variety, Productive Organisation, and Industrial Models <i>Jean-Jacques Chanaron and Yannick Lung</i>	3
<b>PART I: PATHWAYS TO FLEXIBLE MASS PRODUCTION</b>	
2 G.M. and the Evolving Industrial Organisation of American Automobile Manufacturing in the Interwar Years <i>Daniel M.G. Raff</i>	35
3 Product Variety in the French Automobile Industry: A Look through the Past <i>Jean-Louis Loubet</i>	58
4 The Progressive Emergence of Product Variety in the Japanese Automobile Industry <i>Marie-Claude Bélis-Bergouignan and Yannick Lung</i>	81
5 The Historical Evolution of Product Variety in the Auto Industry: An International Comparative Study <i>Bruno Jetin</i>	111
<b>PART II: ALTERNATIVE FLEXIBLE PRODUCTION SYSTEMS FOR PRODUCT VARIETY</b>	
6 Beyond Flexibility: Toyota's Robust Process-Flow Architecture <i>Kazuhiro Mishina</i>	149
7 A Flexible Organisation for Mini-Lot Production: The Emergence of Mini Carmakers in Japan <i>Masayoshi Ikeda and Yoichiro Nakagawa</i>	181

8	Developments in Assembly System Design: The Volvo Experience <i>Tomas Engström, Dan Jonsson and Lars Medbo</i>	192
9	Flexibility through Modularity: Experimentations with Fractal Production in Brazil and in Europe <i>Yannick Lung, Mario Sergio Salerno, Mauro Zilbovicius and Ana Valeria Carneiro Dias</i>	224

### **PART III: MANAGING FLEXIBLE PRODUCTION SYSTEMS**

10	Capability Building and Over-Adaptation: A Case of 'Fat Design' in the Japanese Auto Industry <i>Takahiro Fujimoto</i>	261
11	Supplier Relations and Performance in Europe, Japan and the US: The Effect of the Voice/Exit Choice <i>Mari Sako and Susan R. Helper</i>	287
12	Concurrent Engineering and Institutional Learning: A Comparison of French and Japanese Component Suppliers <i>Yveline Lecler, Jacques Perrin and Marie-Claire Villeval</i>	314
13	The Production, Distribution, and Repair of Automobiles: New Relationships and New Competencies <i>Jean-Jacques Chanaron and Bernard Jullien</i>	335
14	Inter-Firm Relationships and Industrial Models <i>Etienne de Banville and Jean-Jacques Chanaron</i>	364

### **CONCLUSION**

15	Conclusion <i>Takahiro Fujimoto and Daniel Raff</i>	393
	<i>Index</i>	409

# List of Figures

Figure 1.1	The productive organisation of the firm	10
Figure 2.1	GM <i>versus</i> Ford	47
Figure 4.1	Evolution of output by Japanese automobile producers from 1967 to 1994	84
Figure 4.2	Evolution of product variety of Japanese carmakers, 1961-1994	86
Figure 4.3	Scale and product variety effects among Japanese carmakers, 1961-1994	89
Figure 6.1	Toyota's Kentucky assembly plant	168
Figure 6.2	Costs difference	174
Figure 8.1	The Volvo Kalmar plant	197
Figure 8.2	The original assembly system design used in the Volvo Kalmar plant in 1974	198
Figure 8.3	The assembly workshop in Volvo Uddevalla plant	201
Figure 8.4	Work groups in Uddevalla's assembly workshops	202
Figure 8.5	Proposed assembly system for the main Volvo Torslanda plant	204
Figure 8.6	Workshop module for the proposed redesign of the main Volvo Torslanda plant	207
Figure 8.7	Assembly work pace in Uddevalla	210
Figure 8.8	Assembly work pace and work cycle time in Uddevalla	211
Figure 8.9	Observed assembly time in Uddevalla	212
Figure 8.10	Breakdown of blue-collar operator man-hours in the Volvo Uddevalla plant	213
Figure 8.11	Mean assembly defect scores	214
Figure 8.12	Assembly competence as a function of time of employment at the Volvo Uddevalla plant	215
Figure 8.13	Annual model change cost	218
Figure 9.1	Modular Consortium at VW Resende (Truck division)	227
Figure 9.2	Layout of the MCC plant in Hambach	237
Figure 10.1	Model change history of Japanese auto industry	264
Figure 11.1	Product development process in Europe	300
Figure 12.1	The unfolding of a project over time: the case of JC	322

Figure 13.1 Market shares for spare parts and maintenance in France	346
Figure 13.2 Scenarios for the future of the car distribution	359
Figure 14.1 Integration rate and propensity to co-operate among carmakers	384
Figure 15.1 The variety-flexibility grid	402

# List of Tables

Table 1.1	Productive organisation: Relationships to the market	12
Table 1.2	Productive organisation: Product design	14
Table 1.3	Productive organisation: Management of production	16
Table 1.4	Productive organisation: The organisation of the firm	19
Table 2.1	Concentration indexes (% of total output)	42
Table 2.2	Ford and Chevrolet production	43
Table 3.1	The Five-Year Plan for the French automobile industry	68
Table 3.2	The diversity of the Renault range	74
Table 4.1	Concentration in the production of Japanese cars	88
Table 4.2	The evolution of variety in Toyota's product lines	92
Table 4.3	Average scale of production of the five major Japanese producers	93
Table 4.4	The evolution of variety at Toyota	94
Table 4.5	Toyota's trajectory	96
Table 5.1	Ford in North America	115
Table 5.2	GM in North America	117
Table 5.3	Chrysler in North America	117
Table 5.4	Fiat in Italy	124
Table 5.5	Renault in France	125
Table 5.6	Peugeot-Citroën(-Talbot) in France	126
Table 5.7	Volkswagen in Germany	127
Table 5.8	Honda in Japan	133
Table 5.9	Mitsubishi in Japan	134
Table 5.10	Mazda in Japan	134
Table 5.11	Nissan in Japan	136
Table 5.12	Toyota in Japan	136
Table 6.1	Platform count	155
Table 6.2	Platform variety at the plant level (1990)	157
Table 6.3	Product line-up at the platform level (1980)	158
Table 6.4	Price variations in the best-selling platform (1980)	159
Table 6.5	Product proliferation at Toyota	162
Table 6.6	Production plans at Toyota	165
Table 8.1	Comparison of required assembly times	208

Table 9.1	The productive configurations of new assembler plants in Brazil	231
Table 9.2	Platform strategies	248
Table 10.1	Three hypotheses and perspectives on 'fat product design'	268
Table 11.1	Europeans reap a smaller inventory advantage from voice	295
Table 11.2	The 'voice premium': regional summary statistics	301
Table 12.1	Objects of codification	321
Table 12.2	Project structure at FB	327
Table 13.1	Structures and performances of the vehicle manufacturer-owned networks in 1998	343
Table 13.2	Sources of profit margins for main dealers in 1994	345
Table 14.1	Development in the number of agreements involving car manufacturers (1980-1994)	372
Table 14.2	The number of take-overs and co-operative agreements in the supplier sector between 1987 and 1994	374
Table 14.3	Evolution of take-overs, joint-ventures and start-ups from 1987 to 1994	375
Table 14.4	Industrial models and simplified characteristics of inter-firm relationships	382