

# How products go from idea to reality

Though it isn't always as neat and linear as depicted, this is the general flow in new product development. PLM is part of every step. Purchasing, aided by PLM reports, is involved where indicated.

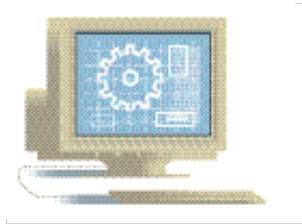
**1.** After marketing and sales determine need, engineers brainstorm new-product concept. Purchasing helps identify potential suppliers.



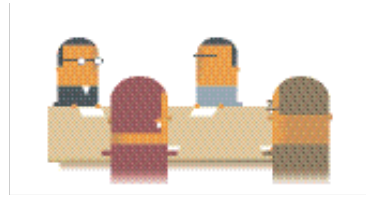
**2.** Concept finalized, presented to approval committee. Purchasing is part of presentation.



**3.** Product approved. Purchasing helps establish the budget.



**4.** Engineering begins modeling product, develops preliminary BOM (bill of materials). Purchasing sends BOM and RFQ to suppliers.



**5.** Purchasing brings suppliers to design team for consultation.

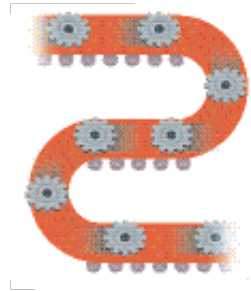
**6.** Design finished, BOM completed. Purchasing delivers final BOM to suppliers. Suppliers start their own development cycles.

**7.** Design specs change. New BOM created. Purchasing informs suppliers. Could happen several times.



**8.** Production planning starts. Purchasing involves suppliers.

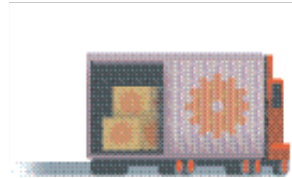
**9.** Production begins. Purchasing keeps suppliers in loop in case of problems.



**10.** Purchasing monitors development process, documenting supplier performance.



**11.** Purchasing lines up other elements of supply chain, including logistics.

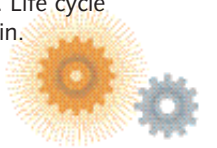


**12.** Product ships. Purchasing ensures continuing supply of parts.

**13.** Quality problems arise in field. Purchasing links suppliers with engineers to make fixes.



**14.** Planning starts for new version of product. Life cycle begins again.



**15.** Product retired.

