

The Combination of VDA And Anting Is An Inevitable Choice

-Interview VDA-QMC China general manager Helmut Stein

Preface: The first time I saw the general manager of VDA-QMC China Mr. Helmut Stein was through the DV taken at the time of VDA and Anting signing an intention agreement. He was in Germany at that time. He had few words; and looked as if thinking of something. He showed a Germanic strict spirit.

Half a month later, Apr. 20th, VDA-QMC held a Get-together in Beijing during the 2008 Beijing Auto Show. Many famous companies and organizations were invited to attend. Anting was also in the invitation list. Therefore, the reporter had chance to interview Mr. Stein face to face.

“Hello, Anting!” Mr. Stein opened the interview with frank and hearty remarks.

Ask: *What a kind of organization is the VDA—QMC?*

Answer: VDA—QMC is an important part of the German Association of Automotive Industry (VDA), also a company of training, consultation and publication. VDA—QMC supports their members in all quality related common issues. It acts as oversight office for the IATF (ISO/TS 16949), issues the VDA quality standards (the famous red books), performs quality related trainings, and coordinates quality management events on all levels of the German car and supplier industry.

Ask: *What are the main differences and characteristics between VDA quality management standards (VDA 6.1) and the other standards?*

Answer: VDA 6.1 is a quality standards of German automotive manufacturing industry, which is drawn up by VDA and its major members. The content of VDA 6. standards are comparable to other standards like EAQF or QS 9000. The major difference is the description of requirements.

There are standards which use very detailed requirement descriptions and forces companies to fulfill strictly the written information.

VDA standards in general use less detailed descriptions of how requirements and activities have to be fulfilled, but ask for a very deep understanding of the quality approach and a strict realization of a high quality process in practice. Though this approach is more demanding, it gives better chances to find specific company solutions for high quality processes.

VDA 6.1 produces a direct effect on the major OEMs and suppliers in German automotive industry including VW, Audi, Benz, Porsche and Opel. The VW Group provides that all manufacturers and suppliers of its makes (VW, Audi, Skoda etc.) must get a certification from VDA.

Ask: VDA represents and promotes the interests of the entire German automotive industry. Why do you come to develop a business in China which is far far away from Germany?

Answer: There are many sole German-invested and German-Sino joint ventures in China. They are the very important part of the German automotive industry. We have responsibility and obligation to care of them and to serve them. Meanwhile, many Chinese companies want to sell their products to Germany or to German companies. They are eager for the certification of VDA. They are the potential clients of the VDA—QMC. It comes natural to us to help them.

The classic quality supports focuses on manufacturing process. In an emerging market like China, the quality support for an key industry like car industry must cover all processes, including R&D, sourcing, manufacturing, sales, aftersales. The task of VDA-QMC China is supporting automotive industry on quality issues in China. Our vision is to become the first partner in supporting the OEMs and suppliers in building the competitive quality management system.

Ask: VDA-QMC came to China and set up a company 2 years ago. Why does VDA-QMC decide to establish a branch in Anting now?

Answer: In the year of 2006, VDA-QMC came to China. We chose Beijing as the first stop, because Beijing is the capital of China. It has some political advantages that other cities cannot compare. Many transnational companies set up offices there. It is comparatively near from Changchun where many spare parts companies are located. Yet, Shanghai is the economic center of China, so we have no reason to be absent there.

Anting, which is the seat of SVW, has a very good base of automotive industry. There are more than 100 automotive spare part and component companies there. More important, the Shanghai municipal government is carrying out a very huge, promising and perspective strategy --- building Shanghai International Automobile Town. It rightly matches our mission. Joining the construction of Anting Auto town is undoubtedly logical.

As we know, there are much potential material in Anting. Many companies have needs of improving their quality management level and getting a certification from VDA-QMC. It is a mutual-win to meet the needs. So, we decide to come to Shanghai as our second stop.

Ask: What business will you plan to carry out in Anting?

Answer: VDA—QMC will set up an office in Anting club street district. We will develop automotive supply chain and quality management system certification; establish a technical working group to help develop automotive industrial standards; help OEMs and suppliers in and around Anting train specific qualified workers who can make use of the information of VDA to improve the communication and cooperation with OEMs and spare part and component companies from Germany and Europe. To build up VDA-QMC as No. 1 partner in quality topics among car producers, suppliers and

associations.

We would like to establish a very close cooperation relationship with Anting government, to scheme for some international technical communication conferences and research activities; to discuss the developing strategy of Anting.

Ask: *When will the VDA-QMC Anting office start to run?*

Answer: We will set up a supplier development center with Chinese spare part and component companies, industry associations and local government. The member enterprises of VDA can purchase what they want via this center in this year. At present, the office is under decoration. It is very convenient to get there. At the end of this June, the unveiling ceremony of the State Vehicle and Component Export Base will be held in Anting. We will take this occasion to sign a formal agreement with Anting government and then officially do business.

Ask: *How do VDA and Anting know each other?*

Answer: On this Feb. 21st, we made an on-the-spot investigation of our VDA member company Shanghai Kostal which is located in Anting. By the general manager's introduction, we made a first contact with the officials from Anting government. The overall and perspective introduction of Anting and auto town attracted me a lot. It really matches the VDA's Shanghai development strategy.

After coming back to Germany, we reported what happened in Anting to the leaders of VDA. They were also very interested in it. On Mar. 10th, we started to communicate the content of the agreement. At the end of the March, we got to a common view. On Apr. 4th, the mayor of Anting Miss Li flew to Germany to sign an intention agreement. From this, VDA-QMC and Anting are tightly bound to each other.

Ask: *How many potential clients are there in Anting?*

Answer: As I know, there are more than 100 companies there, few VDA members among them. Many other companies are eager for membership of VDA and the international pass given by VDA-QMC. They are all our potential clients.

We come to Anting not only for the more than 100 automotive companies. Anting is located in the center of Yangtze Delta. It has a very good geographic advantage. In this June, Shanghai State Vehicle and Component Export Base will be unveiled, so the coverage will become much greater. In this sense, a big number of OEMs and suppliers in the Yangtze Delta will all be our potential clients.

Ask: How do you make full use of the stage that the Shanghai State Vehicle and Component Export Base give to you?

Answer: We will make full use of the stage to help German companies purchase in China with lower price; meanwhile, provide VDA-QMC automotive quality management system certification service to Chinese export companies. We will help them make further improvement on the quality as a prerequisite of international competitive capacity.

Ask: What kind of service you wish the Anting government provide to you?

Answer: I think, the common view is the most important premise and base for a cooperation. I feel lucky that VDA—QMC and Anting government have common views---mutual understanding, double-win and responsibility. For the industrial development, the government should pay more attention to the macroscopic things, not certain specific techniques. The construction of the Shanghai Automobile town is a good strategy. VDA is quite willing to join it to describe a promising blueprint with the government and the enterprises.

Ask: What are the main differences from the motor cities in other countries such as Detroit, Stuttgart etc. that you have ever seen? What kind of impression does Anting give to you?

Answer: Anting is a very young motor city, comparing to others. Because it is young, it shows not so mature. But just because it is young, it can learn from the experience and the lessons summed up by the pioneers. Do what we really need and avoid detour; it is what attracts me most.

In the year of 2003, I got the information of Shanghai International Automobile City at the first time. I think Auto College of Tongji University being relocated into Anting is a good developing strategy. Many kinds of automobile cities are being built, but Anting is the first one in China with these views.

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