

IFAO AG started out as a spin-off from the University of Karlsruhe, a seat of learning that was selected as one of Germany's elite universities in 2006. Beginning in 1979, IFAO focussed on areas such as computer aided design (CAD) and computer integrated manufacturing (CIM). The years to follow brought a high level of success, and in 1995, it became a small private stock corporation (AG). The majority shares are held by the two founders, Dr. Stefan Huber and Dr. Johannes Linke, as well as, since 2007, by Dr. Johannes Krämer. IFAO AG employs 70 staff today.

International activities began in 1994, when manufacturers in the automotive industry expanded towards Eastern Europe. Today, fifty per cent of the turnover is generated abroad with the most important markets being Europe, the U.S. and China. Since 1998, IFAO AG has been operating a subsidiary in São Paulo, Brazil, and another was opened in Widlikon, Switzerland, in 2000. Further divisions exist in served countries in Eastern Europe (e.g. Hungary, Poland) and Shanghai (China). In Michigan, the company is in the process of setting up an American subsidiary.

Dr. Johannes Krämer is our interview partner: "Our clients are international

Your Success is our Goal

The Karlsruhe-based consultancy company IFAO AG advises corporate groups, many of which are active around the globe, on improving the efficiency of their production and business processes. Optimising production and logistic procedures with Toyota's lean operation methods and developing restructuring strategies are elements making up the company's daily work.



Dr. Johannes Krämer
Member of the Board of Directors

corporate groups that are experiencing pressure from rising competition and costs. Seeing permanent improvement as a management task, we bring best of practice methods into these enterprises. Likewise, we advise our clients on their production and logistics processes and recommend improvements of their performance measures. Business processes often need to be redesigned to be more efficient." Our interview partner continues: "We operate four business units and they are organized

according to the branches being served: the automotive and consumer goods industries, mechanical and electric engineering, the chemical and pharmaceutical industries, as well as service and trade. Another business unit, value engineering, will be added in mid-2007. In order to serve this new area, we have been employing high-profile experts to achieve an excellent market position."

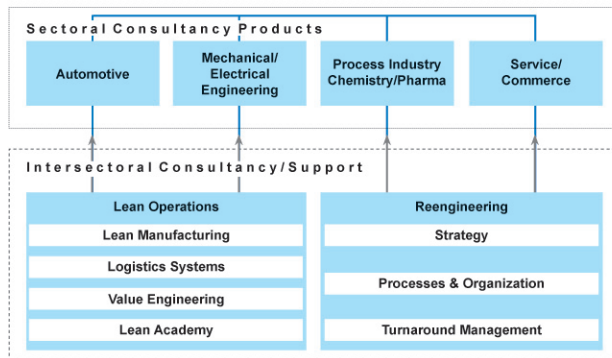
In cooperation with its clients, IFAO AG develops solutions and contributes

its expertise to their implementation. At the beginning of each project, a well-founded and competent analysis of a client's situation and the existing potentials is carried out. This serves to provide the basis for further measures. Innovative concepts are implemented quickly and consistently. Frequent audits of economic parameters on the client's side enable new strategies to be put into practice in a transparent manner. Thanks to this systematic and methodical approach and a goal-oriented transfer of know-how across hierarchies and departments, measurable success is soon achieved, resulting in a quick amortization of project costs. "We use strategic methods with an interdisciplinary approach, which means we work in a very team-orientated fashion. Our methods yield repeatable results with a high sustainability", reports Dr. Krämer.



IFAO AG accesses a significant portion of its market through a network of personal contacts with decision makers, and strongly relies on references and customer recommendations. For 2007, the company plans to exhibit its

IFAO AG: Business Operations



An overview of the business operations

supply chain management as well as sourcing. In geographical terms, Europe is an attractive market for consulting in these fields, with growing emphasis on Eastern Europe. The U.S. and China will be further realistic targets. As far as activities on foreign markets are concerned, we follow our clients wherever their business takes them.”

work at logistic trade fairs. “Today, about 60% of our business is generated through medium-sized and large corporate groups, where our task is to optimise processes in production and logistics and to draw up lean operation concepts. 40% is related to business restructuring and re-engineering for medium-sized and smaller companies. In the areas of lean opera-

tions and restructuring, we want to be positioned as a top five consulting company in the next three to five years”, Dr. Krämer lays out the company’s vision. “A further field of work that we want to explore is outsourcing. We will provide practical support for outsourcing projects, particularly in areas like material flow, lay-out planning, suppliers and

transport management. Internationally, inbound logistics is becoming more relevant for us and this includes transport and



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