

Browse site content:

[click for
advertising
information](#)

Supply Management is the magazine of

 THE
 CHARTERED INSTITUTE OF
 PURCHASING & SUPPLY


TechZone

from **SupplyManagement**

For our latest technology and e-commerce news plus a searchable database of software suppliers [click here](#)

ADVERTISEMENT

content by sector

- [Automotive](#)
- [Central government](#)
- [Construction](#)
- [Defence/Aerospace](#)
- [Education](#)
- [Financial services](#)
- [Healthcare](#)
- [Leisure/Travel](#)
- [Local government](#)
- [Manufacturing](#)
- [Engineering](#)
- [Media](#)
- [Mining/Oil/Gas](#)
- [Retail](#)

- [send instant feedback](#)
- [back to last page](#)
- [back to top](#)

you are in: [sm main site](#) • [archive search](#) • [search results](#) • [archive item](#)

archive item

News, 16 December 2004

It will be a supplier's world in 2005

by **David Arminas**

Purchasers must be exceptionally skilful in managing strategic supplier relationships if they want to avoid the problems of Japanese car firm Nissan.

Luc Volatier, vice-president, purchasing worldwide, at Numico, a Netherlands-based maker of specialised baby food and a clinical nutrition company, said 2005 could be a make-or-break year for many purchasers whose major suppliers raise prices or refuse to supply.

In November, Nissan had to close three of its Japanese car plants for five days because it ran out of steel.

This lost Nissan, Japan's second largest car-maker, production of 25,000 cars and other car makers had to assure the stock markets that their production was not at threat because of tight steel supplies.



SUBSCRIBE

Take out a subscription to Supply Management magazine and get full access to all

areas of this site, including our archive of past articles.

- [Subscribe now](#)
- [View current issue](#)

- [Technology](#)
- [Transport](#)
- [Distribution](#)
- [Utilities](#)

.....
content by subject

- [Best practice](#)
- [Business affairs](#)
- [Goods & services](#)
- [Legal](#)
- [People](#)
- [Process & organisation](#)
- [Strategy](#)
- [Technology](#)

.....
ADVERTISEMENT
.....

The prices for raw materials such as steel have rocketed because of a massive surge in demand and production is at peak capacity.

Speaking at the European Institute of Purchasing Management annual conference in Archamps, France, Volatier said “purchasers have had an easy ride for the past 10 years”.

Suppliers have a rare commodity and can refuse to renew a contract because they get a better price elsewhere, said Volatier.

Purchasers are used to annual price reductions knowing that major suppliers would not turn down their business.

“But now suppliers sell to other clients who offer them the best terms. We are in an era where purchasers could be flattered to get a call from a major supplier.”

[Focus](#), [Viewpoint](#), and [News round-up](#)

send to a colleague

recipient's email address:

your name:

your email address:

personal message

[home](#) • [techzone](#) • [current issue](#) • [events diary](#) • [archive search](#) • [latest jobs](#) • [price data](#) • [links](#) • [my page](#) • [about us](#) • [contact](#)
• [copyright](#) • [advertise](#) • [subscribe](#) • [logout](#)