



# Cost System Assessment MTAC Update

Tim O'Reilly  
Vice President, Controller  
December 1, 2011



# Objective & Project Outputs

## Objective:

- Develop a recommendation to improve cost reporting to provide management the right **Tools to Manage the Business** – both in terms of making **Decisions** about **Operational** changes and on **Products and Pricing**.

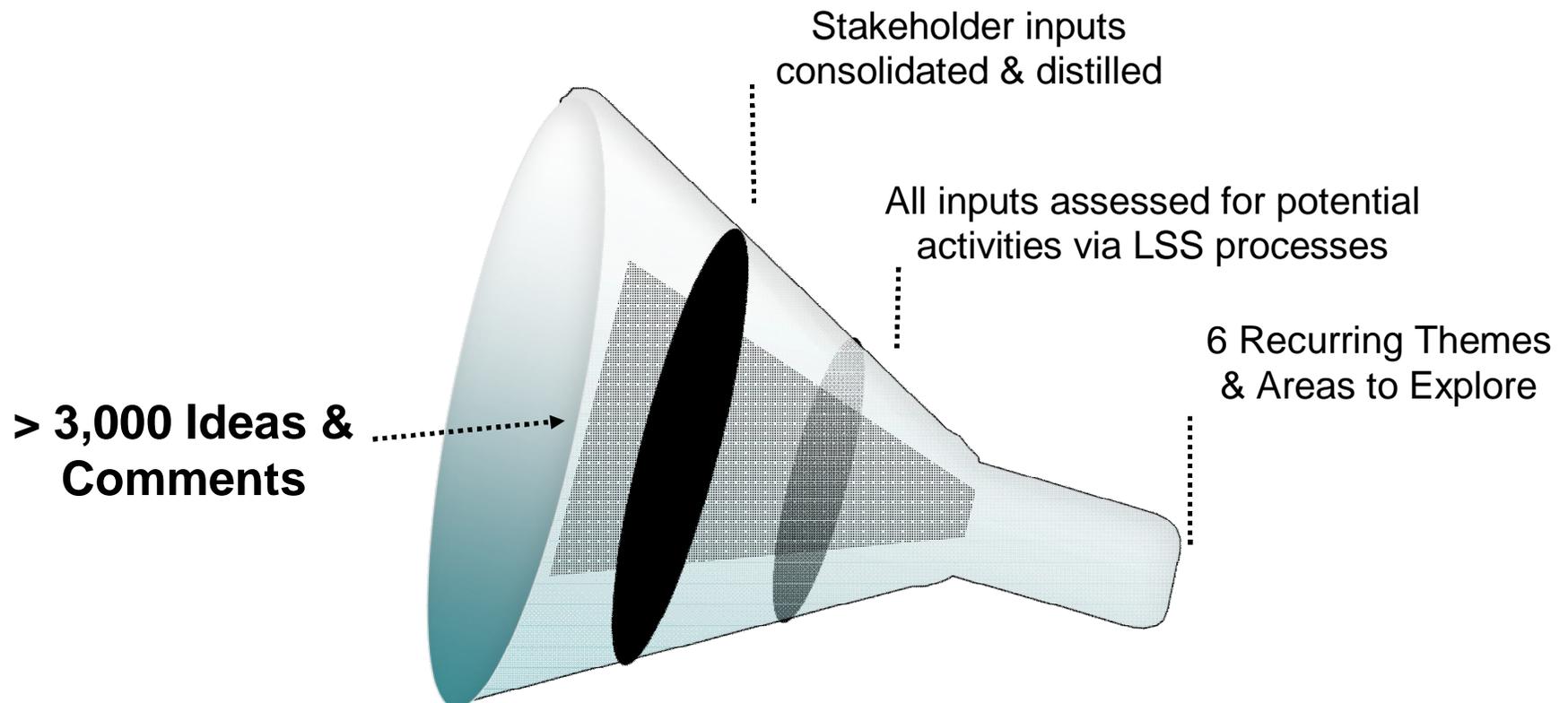
## Project Outputs:

- Recommendations for Future Projects that will:
  - Proof of Concept projects to address recurring themes
  - Develop Business Cases
  - Recommendations for Full Implementation



# Voice of Stakeholders Captured

- 67 Attendees at Group Meetings
- 16 Individual External Interviews
- 37 Individual Internal Interviews





## What we heard:

1. Establish a system that allows us to manage operations using cost data
2. Use automation to replace manual sampling
3. Develop a system that will allow flexible pricing
4. Need a system that enables us to more effectively meet the needs of customers with new products / services and leverage excess capacity
5. Understand how / why costs vary over time and with seasonal volume changes
6. Better understand the attribution of costs (fixed vs. variable -- transportation; retail etc.)



## Next Steps

- Meet with ELT to discuss recommendations  
(currently scheduled for mid-January)
- Finalize the list of approved recommendations
- Establish project owners for implementation
- Communicate with Industry