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# Purchasing in mechanical and plant engineering: challenges and industry comparisons

Purchasing in mechanical and plant engineering is much more than just the acquisition of components and materials. It requires a deep technical understanding and the ability to develop customized solutions. In contrast to standardized purchases in the food or packaging industry, purchasers in mechanical and plant engineering often have to procure special materials and components that are precisely tailored to the needs of their company.

This article highlights the unique requirements and strategies of purchasing in this demanding sector and compares them with other industries.

PURCHASING

## MECHANICAL AND PLANT ENGINEERING

In mechanical and plant engineering, the procurement process is characterized by a high degree of complexity and individual adjustments. The main challenge is to procure highly specialized and often customer-specific components that meet the exact technical specifications. The main tasks include:

**Supplier management**: A deep understanding of the supplier landscape is essential. The aim is to identify the best suppliers for specific materials and components. This requires continuous market observation and the establishment of long-term relationships with trustworthy suppliers.

**Obtaining and comparing bids**: Extensive invitations to tender and bid comparisons are necessary to secure the best conditions. This includes detailed specifications and the assessment of suppliers' technical capabilities. Factors such as delivery times, production capacities and quality standards must also be taken into account.

**Total Cost of Ownership (TCO)**: In addition to pure procurement costs, factors such as life cycle costs, maintenance and operating costs must also be taken into account. This includes analyzing the total costs over the entire service life of the machines and systems in order to achieve long-term savings and efficiency gains.

**Custom-made products**: Many materials and components have to be custom-made, which requires close cooperation with suppliers and precise specifications. This includes the development of prototypes, tests and adjustments to ensure that the components can be perfectly integrated into existing systems and machines.

**Technical specifications and quality controls**: Compliance with technical specifications and the implementation of comprehensive quality controls are essential to ensure that the components supplied meet the high requirements of mechanical and plant engineering. This includes regular audits and inspections of suppliers as well as the implementation of strict quality management systems.

COMPARISON

## FOOD INDUSTRY

The food industry focuses its purchasing activities primarily on standardized raw materials such as milk, sugar and grain, the prices of which are often linked to commodity indices. The focus here is on other challenges:

**Price volatility**: Commodity prices are subject to strong fluctuations that are influenced by global market developments. Price protection strategies such as hedging are therefore often necessary.

**Supply chain management**: Ensuring a continuous supply and optimizing the supply chain are key tasks.

**Long-term supply contracts**: Long-term supply contracts are often concluded to ensure price stability and security of supply.

COMPARISON

## PACKAGING INDUSTRY

Materials such as granulates, oils, polyethylene (PE) and polypropylene (PP) play a central role in the packaging industry. These materials are also subject to price fluctuations, which are determined by supply and demand:

**Raw material prices**: The prices for PE, PP and other plastics are volatile and must be continuously monitored. Price indices and market analyses are crucial here.

**Material quality**: High quality standards, especially for food packaging, require precise specifications and continuous quality controls.

**Innovation management**: The introduction of new materials and technologies can lead to cost reductions and efficiency increases, which is why continuous market observation and innovation management are necessary.

The complex requirements of purchasing in mechanical and plant engineering call for an expert with in-depth technical knowledge and comprehensive market expertise. An interim manager can help you develop tailor-made solutions, optimize costs and identify the best suppliers. Take the opportunity to take your company to the next level and benefit from my commitment to your success.

## Conclusions

- **Specialized procurement**: Purchasing in mechanical and plant engineering requires the procurement of highly specialized and tailor-made components, which requires in-depth technical understanding and precise market knowledge.
- **Price volatility and commodity indices**: In the food and packaging industries, commodity prices are often linked to indices and are subject to strong fluctuations, which makes specific hedging strategies necessary.
- **Quality requirements**: High quality standards and continuous quality controls play a central role in the packaging industry, especially for food packaging.
- **Total cost of ownership**: In mechanical and plant engineering, the life cycle costs, including maintenance and operation, must be carefully considered in addition to the acquisition costs.
- **Supplier management**: A deep understanding of the supplier landscape is essential in all the industries mentioned in order to select the best suppliers and organize procurement efficiently.

### Richard Porstmann

Ich bin Interim Manager durch und durch. In jedem meiner Mandate steckt ein Teil an Beratung, Know-how, das ich mitbringe und an meine Auftraggeber transferiere. Als Global Citizen verstehe ich Zusammenhänge länder- und kulturübergreifend und versuche, unseren Planeten durch meine Entscheidungen nicht nur gerechter, sondern auch sicherer und nachhaltiger zu machen. Sicherlich ist es dabei vorteilhaft, dass ich selbst in Brasilien geboren und als Deutsch-Brasilianer in einem internationalen Umfeld, darunter Asien, Südamerika und Osteuropa, gelebt sowie auch an mehreren Produktionsstandorten gearbeitet habe.