

FIRST ALLIANCE JOINT VENTURE

The Renault-Nissan Purchasing Organization (RNPO) was established in April 2001 as the first Alliance joint-venture company. Since 2003, RNPO is wholly owned by RNBV, the strategic management company which manages areas such as corporate governance, the exchange of ideas, builds strategy and helps leverage the maximum synergies between Renault and Nissan.

RNPO initially managed about 30% of Nissan's and Renault's global annual purchasing turnover. By November 1, 2006, this percentage had increased to 75% and was 92% by June 2008. From April 1, 2009, RNPO effectively accounted for 100% of all purchasing across the Alliance.

The geographical scope of RNPO has been extended to all the regions where Renault and Nissan have production activities in an effort to respond to worldwide needs.

As a joint Renault and Nissan procurement structure, RNPO helps to improve purchasing efficiency by using a global management system for purchases coming within the scope of the Alliance, while local purchasing departments work increasingly for both companies as a single purchasing organization.

One good example is media buying in Europe where Renault and Nissan, working with RNPO have chosen to deal with only one agency – Omnicom/OMD – covering 24 countries for Nissan and 30 countries for Renault. With a combined budget into several hundred million euros, the savings achieved have already been substantial.