Please feel free to type your answer between the questions. Thank you so very much for participating in the MIT TDQM corporate householding research.

I. Corporate Householding Definition at your organization
   • What does Corporate Householding mean to your organization? Understanding the relationships between the companies we do business with.
   • In the area of supply chain management optimization, what does Corporate Householding mean in terms of both vendors and customers? Some of the key relationships we would like to track include: direct ownership, distributors, and franchises.
   • Can you give us a specific example for each? We consider CostumerCom to be a key customer, however we transact very little business directly with them. The vast majority of the business is transacted through distributors. On the supply side, SupplyCom is a preferred supplier and they offer us volume discounts. They are owned by ParentCom, which also has several other subsidiaries. We do not have preferred status with any of these other subsidiaries, so in some instances it’s important for us to be able to see the total relationship with ParentCom, but we also need to be able to see just our relationship with SupplyCom as well.

II. Importance of Corporate Householding at your organization
   • How do you evaluate the importance of corporate householding at your organization? Why? We try to track return on investment...benefits verses costs.
   • What benefits does your organization get from practicing corporate householding? Greater ability to negotiate discounts with suppliers. Greater ability to understand our customer base and answer basic questions such as who are our top customers.
   • What are the costs? Linkage data from D&B, matching software to match our customers and suppliers to D&B’s database, an operations team to resolve the matching exceptions, etc.
   • Do employees have to deal with corporate householding problems frequently in their routine works? Please tell us an example. Typical scenarios where we have seen householding information deliver value include studying potential acquisition targets, key customer visits (what business do we currently conduct and what other potential business could we conduct), supplier negotiations, and strategic analysis (who are our top customers and what are we doing to retain them?).

III. Current Corporate Householding Practice at your organization
   • How does your organization practice Corporate Householding? We use D&B’s linkage.
• Is it done automatically with the help of software? If yes, is the result satisfying? We’re using SoftCom’s matching technology…but we manually review many of the potential matches.
• Do human experts do it? If yes, why can’t it be done with software? We report problems/issues to D&B and wait for them to update their linkages.
• If both do it, what percentage of the problems involve human experts? What are the examples of the problems that need to involve human experts? Recent acquisitions and divestitures that are not yet reflected in the householding linkages, missing branches or entire subsidiaries within a corporate family, branches connected to the wrong corporate household, etc.
• Does your organization have a department/workgroup/designated employee that focus on corporate householding? If the work is distributed, how are the works by different parties coordinated? For the most part we rely on the D&B linkages. But, we do have a centralized operations team that matches to D&B’s data, reviews key customer and supplier hierarchies, and coordinates resolution of issues with D&B.
• What are the sources for corporate householding knowledge at your organization? Purchasing, sales, and marketing all have pockets of knowledge about specific companies they do business with. However, these internal ‘experts’ are often surprised when they see the true structure of some of the companies they thought they understood.
• What’s the role of D&B data in corporate householding in your organization? Is it the most important knowledge source, or just one of many sources? Most important.

IV. Rules for Corporate Householding at your organization
• What are the rules your organization uses to decide corporate householding? Match to D&B and use their householding.
• How does your organization get the rules?
• Are there any procedures to generate, approve, and maintain the rules?

V. Assessment of Corporate Householding at your organization
• How do you evaluate the current status of corporate householding practice in your organization? Householding is in its infancy at our company... we continue to look for better solutions than relying on D&B’s linkage information.
• What are the key obstacles that hinder your organization’s ability to practice corporate householding? We don’t see any other alternatives to D&B currently available.
• In your opinion, how can it be improved? Focus on additional types of relationships beyond just the legal/risk management relationships that D&B tracks. Decrease the cost of acquiring the data. Provide a high quality matching engine to append the householding information to internal data (D&B’s matching engine didn’t meet our criteria so we built our own match using SoftCom).