**Interview – Navigating the Remanufacturing Trilemma:
Balancing Customer, Manufacturer, and Lawmaker Interests**

Interviewee background

Date: 29.01.2025

Time: 14:00

Area: Remanufacturing (Automotive supplier)

Current occupation: Head of new Business Development

Professional Experience: 8 Years in Remanufacturing

(State) subsidies and incentives

Customers and Remanufacturers would rate incentives to return products positively. The Legislators need a budget for spendings. Legislators want to support circular economy (positive), but they have to offer financial support (negative).

Branding and (Intellectual) property

Branding is important for the customers and parts should be compliant to regulations. Patents and Copyrights are an asset in a company. However, subcomponents could be patented and this limits remanufacturing capabilities. Remanufacturers don't emphasize their sustainable aspects in branding too much – performance counts. Legislators need to balance circular economy and protection of the owner's rights.

Circular/Sustainable business models

Business models are mostly synergetic regarding remanufacturing companies. Remanufacturers provide parts, consumers buy parts and legislators achieve their sustainability goals. Overall, the lawmaker clearly wants to transition to a circular business model.

Compliance with Regulations

Regulations cause conflicts because compliance costs money and effort. A customer does not want to pay extra. B2B-Customers might also need to do some reporting, and again this cost time and money. The remanufacturers also need to put in effort to comply with the regulations. The Legislators want the stakeholders to comply with its regulations.

Data Handling

Data can be exploited and provide a benefit but is also connected to increased costs. There is a slightly positive effect for customers and manufacturers. For the legislator, it does not matter.

Information Transparency

Value of information transparency depends on the perspective. It can provide advantages for everyone, especially for a remanufacturing company. However, a manufacturer might see this as more conflicting.

Process Design

Process design directly impacts the costs of the manufacturer and indirectly the price for the customer. Lawmakers are only connected indirectly via their goals.

Product Characteristics

Discussion of product characteristics depends on whether price is a product characteristic or not. If price is not an issue many sustainable product features are welcomed and synergistic. If the price is a relevant aspect, it creates conflict between customers and manufacturers. Because a high selling price for the manufacturer is preferred over a lower one and vice versa for the customer. The legislator on the other hand does not care whether the price is high or low.

Product Design

Remanufacturers prefer products that are designed for remanufacturing or disassembly. Since this makes products easier to repair this is also an asset to customers. So, customers as well as the legislators like sustainable product designs.

Product Labeling

Digital product pass is very much appreciated to gain access to data – especially for remanufacturers. Manufacturers have additional work to do. Customers might not be impacted too much. Lawmakers force this direction towards transparency.

Strategic Cooperation

Regarding remanufacturing in the automotive industry sharing sensible data (e.g. for predictive maintenance) might not be feasible. Regarding co-creation, benefits for customers and manufacturers can be gained. For the legislator, it does not matter how business is done.

Further Discussion

There is a difference in rating if you are a remanufacturer or manufacturer. The Trilemma is not as strong if you are remanufacturer. For Manufacturers this is more conflicting. Price should be discussed more strongly. As a thought: “If reman is as good as new, why should it be cheaper?”