



EDS International

# CASE STUDY

## SUPPLY CHAIN MANAGEMENT & PRODUCTION TRANSFER IN CHINA & SE ASIA

### OVERVIEW

*The client is a US-based company which designs and markets its own decorative hardware. Suppliers are in China (North & South China) and Thailand. The core technical component is zinc die-casting and finishing.*

*The client is leading decorative hardware company based in the United States.*

*Year: 2017-ongoing*

*Client Country: USA*

*Service countries:*

*China, Thailand*

*EDS International's Role:*

- *Supply chain management*
- *Identification & sourcing new suppliers*
- *Manufacturing supervision*
- *Production transfer*
- *Cost reduction*
- *Quality control*



### CHALLENGES

*The three main challenges were:*

- 1. Taking over all production oversight and quality control while production was ongoing*
- 2. Relocation of production for client's 2nd largest supplier from China to Thailand*
- 3. Transferring 700 SKU's from South China to a new supplier in North China*

*EDS was brought as a supply chain expert to:*

- *Extend supplier base by providing*
  - *Supplier identification*
  - *Production transition*
  - *Quality control*
- *Ensure achievement of client growth strategy*

# APPROACH & KEY ACTIVITIES

- *Established robust systems and processes for current production*
- *Determined acceptable quality levels of each product*
- *Conducted 100% inspections for each shipment*
- *Provided technical input and suggestions to suppliers on how to achieve acceptable quality*
- *Followed up with suppliers to ensure completion of action*
- *Managed shipment dates with suppliers and traced shipments with freight forwarders*
- *Created and updated project trackers for 2 production transfers*

- *Assigned a dedicated engineer to each transition*
- *Acted as the supplier interface on new products and new packaging designs*
- *Handled quotations and price negotiations on existing and new products*
- *Identified, led and managed cost-reduction initiatives*
- *Facilitated weekly project management conference calls with customer and suppliers to ensure status was clear and risks and issues were being proactively managed*

## RESULTS & BENEFITS



**TRANSFERRED 700 SKUS TO NORTH CHINA AND ACHIEVED 30% COST REDUCTION**



**TRANSFERRED PRODUCTION TO THAILAND IN 6 MONTHS AND AVOIDED TARIFFS**



**QUALITY IMPROVEMENT SO THAT INCOMING INSPECTIONS NO LONGER NECESSARY**



**ESTABLISHED A QUALITY DATA DASHBOARD USING IN-HOUSE DATA ANALYTICS TOOLS**