

GLOBAL MANUFACTURER

INTEGRATED MAIL & DOCUMENT MANAGEMENT SYSTEMS PROVIDER

MANUFACTURING MIGRATION STUDY

CLIENT BACKGROUND

The world's leading provider of integrated mail and document management systems, services and solutions with annual revenues of \$4.6 Billion.

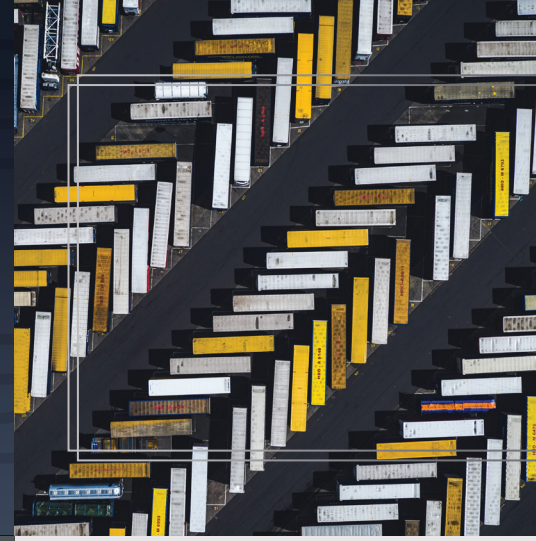
CHALLENGE

Due to rising costs, client was looking to develop an offshore manufacturing and sourcing program. Selected Gibson to help reduce cost and penetrate new markets.

EVALUATION

The client would need direct support during the transition of products to its new manufacturing location, while continuing to successfully transfer products to its newly established outsourcing partner. We chose to employ our Supply Chain Outsourcing Analysis, as well as our Procurement, Manufacturing, and Logistics processes to plan and implement the program.

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RESULTS AT A GLANCE

28%
REDUCTION IN TOTAL
LANDED COST FOR
OUTSOURCED ITEMS

ACHIEVED SIGNIFICANT
COST SAVINGS

DIVERSIFIED RISK BY
TRANSITIONING PRODUCTS
TO ADDITIONAL
MANUFACTURING LOCATIONS

DEVELOPED AND LAUNCHED
AGGRESSIVE AND RIGOROUS
IMPLEMENTATION PLANS

APPROACH

Gibson gathered detailed supply chain data related to the targeted products and manufacturing processes for outsourcing. The team provided recommendations on a go-forward strategy to outsource manufacturing in Asia, while also identifying outsourcing partners and screening candidates based on required capabilities and cost factors. We conducted negotiations with top candidates and a final selection was made and produced detailed plans to support an aggressive implementation plan.

RESULTS

In addition to significant savings, our client was able to diversify risk by transitioning products to additional manufacturing locations. We conducted the selection of a highly qualified outsourcing partner, resulting in a 28% reduction in total landed cost for outsourced items. We also developed and launched aggressive and rigorous implementation plans outlining detailed activities, timelines, and resources.

