

REDUCING EU OPTICAL COMPONENT MANUFACTURE COST - IN THE GLOBALLY FASTEST GROWING MARKET

OBJECTIVE: EXAMINE OPTIONS FOR SUBCONTRACTING TO EASTERN EUROPE

REASON: FEELING THAT EU OPTICAL COMPONENT MANUFACTURE COST TOO HIGH

METHODOLOGY: INCLUDED CHINA AND MEXICO INITIALLY TO GIVE PERSPECTIVE, THREE WEEKS AFTER PROJECT COMMENCED CHINA BECAME MHM'S NUMBER 1.
ANALYSIS INCLUDED:
- VIEW SUBCONTRACT OPTIONS (OMS/EMS GLOBALLY)
- VIEW IN-HOUSE OPTIONS (BUY SHELL, ACQUIRE LOCALLY)
- EVALUATE ABOVE OPTIONS WITH POINTS RANKING SYSTEM
CLIENT '*CHANGED ITS MIND*' FROM FAVOURING THAILAND & SINGAPORE

DECISION: ACQUIRED COMPANY WITH SIGNIFICANT MANUFACTURING BASE IN CHINA

BENEFITS: CLIENT UPDATED WITH CHINESE CAPABILITY
GROUP'S UNDERSTANDING CHANGED
COMPETITIVENESS INCREASING 6 MONTHS AFTER START OF PROJECT -