



Manufacturing and Production Outsourcing

Outsourcing Production for a Wireless Data Communication Company

OUR CUSTOMER'S ISSUE

A manufacturer of wireless data communication equipment was recently acquired with the acquiring company consolidating manufacturing facilities. Space limitations necessitated outsourcing a number of production items. The customer chose to focus on its core product and capabilities and outsource the high volume power and data cable assemblies. Safco was chosen to manufacture these items.

SAFCO'S ROLE

Safco's production and engineering teams worked closely with the customer to transition the production to Safco.

- The intricate details of the assemblies required the design and creation of several complicated overmold tools.
- The form, fit and function of the completed Safco product needed to be virtually identical to the existing customer produced item.
- Through manufacturing engineering, Safco was able to quickly establish work instructions, efficient labor processes and testing procedures for the production of the assemblies.
- The customer set a firm shut down date for all internal production which required Safco to fast track this transition.
- Safco's customer expected purchase costs from Safco to be comparable to original in-house manufactured costs.

PROJECT DETAILS

Through a close partnering between Safco's staff and the customer personnel, the transition of these production items to Safco took place in a relatively seamless manner with minimal impact to the customer's business.

- Upon transfer of production, Safco immediately began identifying cost reductions to meet the company's cost expectations.
- Automated test procedures were implemented throughout the assembly process to ensure consistent quality and reduce total processing time.
- Safco worked with component suppliers to improve manufacturability and reduce assembly time.
- Safco and its customer worked out an inventory management agreement backed by blanket POs in an effort to support 24-48 hour turnaround time on release requests.
- Long term, Safco is working with the customer to move some labor intensive subassemblies to China in an effort to further reduce costs.

ABOUT SAFCO

Safco is a full-service partner in the design, manufacturing and delivery of custom, low-voltage DC power supplies. Our experience, service and commitment to quality enable us to produce a low-voltage power assembly that offers superior performance and longevity, allowing our customers to focus more on what they do best.

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