# CASE STUDY Achieving Cost/Quality Balance

#### **INDUSTRY**

Construction

### CHALLENGE

The customer had sourced components for this tool to remove street access grids directly from India, but they suffered from both dimensional and structural quality problems. As a result, they had finished product in excess of £50k that they couldn't dispatch because they were waiting for this component.

#### **DESIGN CHANGES**

Localised weight relief was introduced to reduce overall cost, feed gate positions were changed to improve structural integrity, and an additional feature was included to add value. Casting simulations confirmed the integrity of the revised design, ensuring minimal reject levels, whilst Cosmos stress simulations confirmed that the component met and exceeded the loading requirements.

#### STRATEGY.

In consultation with the customer's design team, and with the close involvement of an NPI engineer, we were able to ensure the samples were right first time, ensuring a swift transition into production. From design freeze the first delivery was made in 14 weeks, direct to the customer's assembly line. All the associated issues of direct sourcing, dealing with freight forwarders, customs, import duties, transport, storage and quality control/assurance are now covered by DGI.

Working directly with low cost sourcing companies in India and China appears to offer savings on paper, but the reality is that the total cost of ownership is actually less when working with a professional sourcing company when all factors are considered. And how do you put a price on not supplying your customer and the damage that that does!

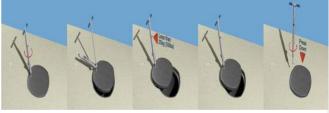
## **KEY CHALLENGES**

- Overcome the quality and technical issues
- Get supply up and running urgently to enable customer to ship product
- Meet a commercial challenge, as parts are sourced direct

## THE OUTCOME

- · Component is lighter and stronger
- Supply lines restored: lead time now effectively next-day with UK stockholding
- Customer inventory is reduced, flow improved





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