Significance of Outsourcing your Manufacturing Needs

By Alex Anderson, 889 Global Solutions

What is Contract Manufacturing?

Contract Manufacturing or Outsource Manufacturing involves sourcing vendors in order to provide components of a product, or sometimes even an entire finished good, for a manufacturer’s supply chain. There are various reasons why a company might rely on contract manufacturing including production capacity, capabilities, and cost-savings.

When Does it Make Sense?

There are three main reasons why a company outsources cost, quality, and longevity. Here are a few common scenarios:

1. **High labor content** - labor is usually one of the largest costs for a company. By acquiring parts for a production line from a third party located in a region with lower labor costs, a company can save a good chunk of change on production.

2. **High volume products** - it is rare for small to mid-size companies to have all production processes required for their products in-house. One of the biggest advantages of contract manufacturing is the ability to utilize established and specialized factories, equipment, and processes without having to make large capital investments to develop infrastructure.

3. **Flexible production timetables** - when a company is expanding or adding product lines, it is often important to have multiple suppliers in order to ensure product delivery demands in early stages. Contract manufacturers are able to diversify suppliers while only having one throat to choke.

Click here to read the rest of Alex's article.

What, Exactly, Is Business Development?

When it comes to defining business development, you may get a different definition depending on who you ask. Putting an exact definition on business development is comparable to putting an exact definition on what the universe is, this means that the topic can and will be debated for a definition that accurately fits and describes the topic as well as possible. For business development, a definition that many can agree on is “Business development is the creation of long-term value for an organization from customers, markets and relationships”. From this statement, business development boils down to these four things, long-term value, customers, markets, and relationships.

See how each of the four terms define business development here.

Metal Printing Machine Awarded to Ohio State by GE

3D printing, which is also called additive manufacturing, is a process used to layer a certain material on top of itself. It is controlled by a computer program in order to create almost any type of object imaginable. Typically the most common 3D printers use plastic, which is usually the cheapest and easiest...
substrate to use in order to create an object that may take on virtually any shape. However, there are 3D printers capable of creating objects with different types of materials. 3D printers that can create objects out of metal using additive manufacturing are harder to come by than one that prints in plastic. Ohio State is honored to have been selected under GE’s Additive Education Program to receive a Concept Laser Mlab cusing 100R metal printing machine, which has a market value price of $250,000. With a machine like this, metal parts that need extreme precision can now be created, and CDME is lucky enough to have this added capability among their portfolio.

To view the whole GE article, click here.

NIST Supports Supply Chain to Strengthen Bottom Line Growth

"MEP’s supply chain-related programs offer a variety of services to U.S. manufacturers to cover the different aspects of supply chain management and development. From implementing strategies within the walls of a company to engaging with suppliers and customers around the world, MEP has the tools and strategies needed to help manufacturers throughout the supply chain reach their growth goals."

Click here to learn how NIST helps small to medium-sized manufacturers sharpen their competitiveness with supplier improvement, supplier scouting and supply chain optimization.

Central Ohio Manufacturers: Opportunity to Engage OSU Engineering Capstone Project Students

The OSU Capstone Project course is an industry-university partnership that integrates business realities into the curriculum of seniors in the Industrial and Systems Engineering Program. Project teams, comprised of 3 to 4 students, are supervised/coached by faculty mentors while working for a sponsoring manufacturer.

Projects are completed over the course of one semester and the next cycle starts in August.

Potential projects that sponsoring manufacturers can assign to Capstone Project Students include:

- Process improvement related - Value stream map and de-bottleneck
- Facility layout related for new or process improvement
- Ergonomic related - Better workstation design
- Supply chain analysis - Demand forecasting, inventory management, Logistics Improvement
- Financial analysis - Look at different business cases and provide a framework to help evaluate opportunities and payback

For more information, contact OSU’s Aimee Ulstad, P.E., College of Engineering Integrated Systems Engineering at (614) 769-4282.

Events hosted by CDME

Cyber Security Training for Small Businesses
Presented by Anil Patel, Assistant Attorney General OH - Cyber and Security Unit

SCORE Columbus presented Go-to-Market Fundamentals for Business Success at our May Lunch and Learn. The packed house was entertained and informed by seasoned entrepreneur, Jerry Jones, and business writer and marketing strategist, Marcé Epstein. July’s Lunch and Learn focuses on increasing leads through digital marketing, email and social media. Registration information will be available very soon.

Ford Visit

The Ford Motor Company invited CDME to present at their Dearborn manufacturing facility on June 5. Representatives of CDME hosted an informational table for Ford employees all day and also gave a presentation on our capabilities in advanced manufacturing. If you would like to request a visit from and presentation by representatives of CDME, please give us a call today. 614-292-6888

International Selling Seminar

Two of our valued partners, Benesch
Thursday, June 29
1:00 pm to 3:00 pm
Register here

Open House
Friday, July 21
12:00 - 2:00
Register here.

Partner Events

Dublin Entrepreneurial Center
DEC presents: Free Professional Small Business Advice
Every Thursday

Sundown Group
Marketing 1 - Intro to Marketing Planning
July 10
6:30 pm - 8:00 pm
$45.00

Rev1 Ventures & Columbus Chamber of Commerce
Tuesday, June 27
3:00 - 6:00
$25-45
Register here

The MEP program at The Ohio State University is available through the Ohio Development Services Agency (ODSA) to support the National Institute of Standards and Technology's Manufacturing Extension Program.

Law and KeyBank, gave a special seminar at the Blackwell Inn and Pfahl Conference Center on May 18 about the preparation, protection and financing of products for international trade. Guests were treated to their expertise in patent and trademark protection, financing export programs and the different ex-im programs available. It was an afternoon filled with humor, great discussion and tales of foreign trade experiences.

The Center for Design and Manufacturing Excellence (CDME) is the manufacturing port of entry into Ohio State. CDME is Ohio State's preeminent leader in innovative applied research for product design, technology commercialization and manufacturing for industry.