

Dr. Die Cast



Reshoring and Secondary Operations in a Die Casting Company

As more and more products have arrived from off-shore, one thing is consistent. They are ready to display and sell. Rare is the imported cast and trimmed die casting. Actually, rare doesn't even come close to describing the rarity. Most products are finished, packaged and ready for the retail shelves. The challenge for the die casting industry is to reimagine themselves as a turn-key supplier for custom ready-to-market products.

Why Reshore?

The shipping/logistics bottleneck has highlighted the risks of importing your entire product line. In many cases, those bottlenecks resulted in significant losses of sales and revenue. Especially when the products are targeted for seasonal use such as clothing, lawn and garden.

Competition:

How does one compete with low off-shore wages? Price isn't the only thing.

The ability to communicate and deliver promptly is in many cases "priceless". Whether it is timely quoting, prototype, sample or production delivery.

New Profit-Center:

What is your investment and benefit? It could be the difference between winning a new customer and not.

What are the options? It may be adding square footage and/or equipment or possible merging with a current "out-sourced" services supplier.

How much is enough?

High finish zinc die casters have typically been responsible for the polish and buff, and plating operations. Some of the larger zinc die casters have in-house finishing including plating and powder coating. Aluminum die casters have typically performed drilling and tapping and in some cases polish and buff. Painting or powder coating has often been outsourced.

Vertical Integration or Project Management:

Vertical integration involves capital investment in the necessary equipment under one roof or at least within one company to fulfill all the requirements to provide a completed product. It might be CNC mills, lathes, vibratory or shot blasting equipment, plating or powder coat-

ing or even automated assembly and packaging equipment. One of the least appreciated advantages of vertical integration under one roof is the nearly immediate feedback of market demand and quality. Transportation cost is exchanged for "Work in Process" floor space.

Project management allows you to provide a turnkey solution to your customer without the capital investment. However, it requires you to have a working relationship with area suppliers in any of the operations that you lack but your customer's product requires. If those services are not available locally, then maybe it's time to consider investing or partnering with someone locally to provide that service.

How fast is fast enough?

One major advantage we have in North America is the ability to move components rather quickly from one state to another in order to take advantage of specialized suppliers. That doesn't always mean we should. Whenever possible we should keep the supply chain as short both in the number and distance of the movements.

Who's Dr. Die Cast?

Robert P. McClintic
Die Casting Consultant

Bob McClintic & Associates
523 Lincoln Lawns Dr. NW
Walker, MI 49534

RMcClintic@ameritech.net
www.drdiecast.com
616.292.0454