



SUPPLY CHAIN SPECIAL

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MES

**ENGINEERING
SUPPLY CHAIN
EXCELLENCE**

Hiten Shah,
President & CEO

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WE BELIEVE THAT OUR
CLIENTS DON'T HAVE TO
SETTLE OR MAKE TRADEOFFS
BETWEEN QUALITY, SPEED,
AND PRICE WHEN SOURCING
INTERNATIONALLY



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ENGINEERING SUPPLY CHAIN EXCELLENCE

By Sandeepa Majumdar

As the cavernous shop floor of a manufacturing plant bustles with the humdrum of everyday operations, the general manager on duty is often seen settling a series of calls from the confines of his office. A supplier just backed out, inventory has been held back due to shipping delays, and in another case, engineers are unable to replicate a client's custom design requirement. These scenarios—in the wake of changing economics in production and distribution—combined with shifts in consumer expectations, are putting manufacturers under pressure to deliver personalized product versions as well as improve speed to market. To add to the challenges, most domestic manufacturers lack the access to resources and competent suppliers to deliver quality output on time and they often spend exorbitantly on procuring manufacturing parts, especially for low-mid volumes. On the bright side, original equipment manufacturers (OEMs) and tier one suppliers finally have a resolution for all their product sourcing and domestic operations needs with MES, a one-stop-shop for manufacturing and supply chain management services. MES has developed a compelling global supply chain system that provides custom-engineered solutions along with complete outsourcing of

supply chain management all backed by state-of-the-art IT. “We believe that our clients don’t have to settle or make tradeoffs between quality, speed, and price when sourcing internationally. We create win-win solutions with the right approach to the global market,” says Hiten Shah, President of MES.

To manage the entire supply chain process from sourcing to shipping, MES follows a distinct five-step process. This encompasses sourcing suppliers that offer custom engineered products, developing quality systems within a tight manufacturing window, logistics management with the fastest freight solutions, performing domestic value-added operations, and warehousing and inventory management, delivered through the best distribution network on a just-in-time basis. MES, for the most part, is industry agnostic and caters to the needs of both large-scale clients and SMBs in the lighting, automotive, medical, and heavy equipment manufacturing industry by delivering capabilities in die casting, assemblies, forging, and molding and extrusions. All of MES's solutions are engineered for excellence and to specifically support products with a short life cycle and lower volumes, freeing supply chain managers to focus on core, high volume products. The company also offers a high-mix variety basket of components at an overall lower cost of 20-50 percent over domestic sourcing.

From Sourcing to Shipping

Working with 550 suppliers from all over the globe starting from India, China, Taiwan, Vietnam, and Malaysia, MES has a committed and ever-growing supplier network. All the suppliers working with MES are ISO certified and with a solid history of producing advanced and quality parts. The company takes pride in helping some of the largest North American OEMs such as Eaton, Acuity Brands, Siemens and Emerson by managing their entire outsourced manufacturing process. Here Shah gives an example of a lighting manufacturer who uses 20,000 parts per year. While the client was spending \$55,000 in tooling in the U.S., with MES intervening and leveraging its global suppliers, the price was brought down to \$22,000. Almost a 10 percent difference in price per piece was observed. Another noteworthy example is that of Eaton a prominent leader in power management solutions, who was facing challenges in developing a proprietary range of high purity mission critical copper components that had to be 99.995 percent pure. The client was tussling with its six raw material suppliers that were based in four different countries. After MES came onboard, they worked with only three fabricators located



in China and India and developed a comprehensive solution to supply about 40 components, which is expected to reach 80 components in the next 12-15 months. “We believe we are only as good as our suppliers and offer undue support to help them enhance their competitiveness and growth,” states Shah.

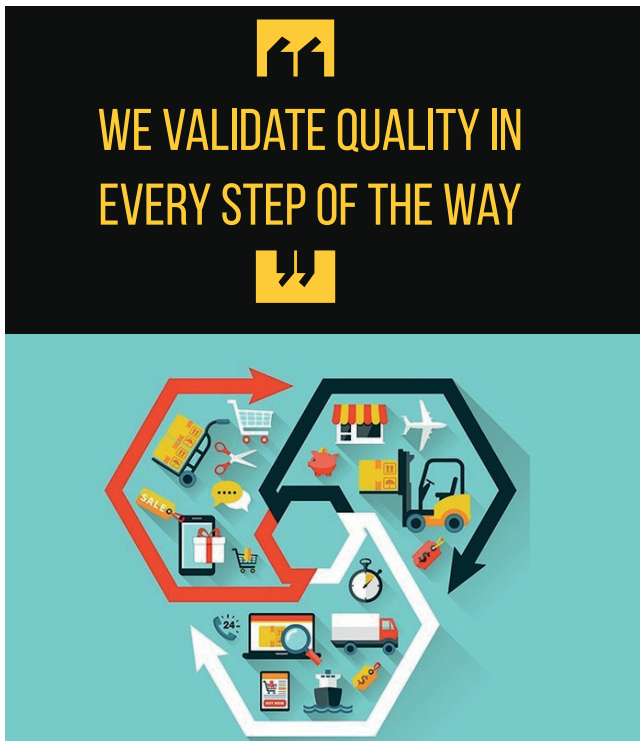
A relational over a transactional understanding with suppliers is a strong reason why MES’s products are by far superior to other vendors. “We validate quality in every step of the way,” adds Shah. The company utilizes project management tools, 3D scanners, and FARO arms for advanced product quality and planning. To stay in line with a client’s custom engineering requirements, MES puts together a design structure matrix that is a compact and visual representation of a project. In the early production stage, they also build pilot projects for maximum customer benefit. Moreover, constant inspections, rigorous reviews, and audits are made to ensure accurate methods and delivery timeliness is maintained. To highlight a use case, MES has been working with the Schneider Electric division for almost 15 months, conducting detailed cost and quality benchmarking and planning for a batch of around 48 parts. Consequently, Schneider Electric will be a multi-million customer this year. Apart from vigorously tracking the tooling process, MES also offered the best solution to ship daily to the client’s Mexico and California plants.

It goes without saying that on-time delivery (OTD) is one of MES’s top priorities. The company carefully manages global logistics processes, including shipping routes, port, and customs requirements. “We work with very strong third-party logistics partners to consolidate most of our shipments at the delivery port,” mentions Shah. To streamline component requirements, in line with a client’s specific requests, MES provides a range of operations

domestically such as parts customization, painting and powder coating, and special E-coating. Lastly, for smooth inventory management, the company has strategically placed warehouses across the U.S. and globally so that a shipment is never one to three days away. MES's OTD in 2017 was 98.7 percent, which is considered benchmark level for all OEM's and Tier-1 customers.

The Future of Smart Manufacturing

For complete visibility of the supply chain and inventory, the MES uses an automated portal called MESH that helps achieve seamless traceability and optimization of demand forecasting, product replenishment, quality controls, and planning measures.




MESH is also optimized for the mobile allowing engineers and MES personnel to present real-time information on quality issues, production status, or shipping details. “In case there is a problem everyone working on the project receives an alert, which aids in faster communication and remedies,” states Shah. Since the system is completely cloud-based all information is transparent and available to the global team at all times.

Having built MES on a culture of trust, transparency, and visibility, all team members also receive access to the company's sales, quality records, and profits and losses in a monthly metrics meeting. “We believe in adapting to changing market conditions, accepting failures, and bridging our shortcomings with focused execution strategies,” says Shah. All members at MES are encouraged to engage in cross-departmental communication as



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it inculcates an environment of knowledge sharing among staff that comprises six sigma engineers, supply chain experts, quality inspectors, and business analysts. “I keep in mind that I would want to work at a place where I am appreciated, where I could grow, where I was challenged and had the benefits to lead a good quality of life—that's what we try to do at MES,” gushes Shah. The company also actively engages in community work through charitable trusts in India as well as The Columbus Foundation. Moreover, associates in the company are encouraged to donate to the charity of their choice, and last year the company made donations to over 60 different organizations globally.

Underpinning their success on the 3 C's—a robust culture, committed customer service, and cost efficiency—MES is ready to deep dive and further enhance their value proposition in the coming days. The second half of 2018 will be dedicated to expanding the company's supplier network into Vietnam and Korea. Growth in warehousing facilities will mostly occur in the UK and a new office is expected to be set up in Europe. With a growing number of customers, MES is also contemplating to increase their footprint across the U.S. and Mexico. Some deeper quality work in the area of iron and steel and copper components is also on the charts. “We have our hands full but our goal in the next five years is to double the size of the company, leverage our strengths in the form of people, technology, and processes, and leave no stone unturned to reach our vision,” ends Shah. 



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Top 10 Supply Chain Management Solution Providers - 2018

The supply chain mechanisms of today have been completely remodeled by the constant evolution of modern business strategies. The rise of innovative recourses plays a pivotal role in bridging the gap between the supplier, the wholesaler, the retailer and the consumer. Efficient management of demand volatility and extreme market conditions have become the new mantra of supply chain managers worldwide. Digitalization is increasing demand for agility and forcing new business models, boosting spending in the SCM market. With businesses increasingly shifting towards cloud-first or cloud-only deployment models, SaaS vendors are finding new revenue opportunities. Gartner observes that the supply chain management market will surpass \$19 Billion by 2021.

The supply chain management space is leading in the manufacturing industry because of the extensive ways

technology has succeeded to streamline and simplify the supply chain workflows. Professionals are capable of leveraging customization, automation, due to the steady transformation, which is realizing higher-efficiency into the realm of supply chain management. As the supply chain sector emerges to be a vast field of possibilities in terms of technology, manufacturers are looking for supply chain management solution providers that match their needs.

Keeping that in mind, a distinguished panel comprising of CEOs, CIOs, and analysts including Manufacturing Technology Insights' editorial board has charted out top 10 companies offering tailor-made and efficient solutions for supply chain management. These companies offer powerful solutions coupled with innovative strategies that can help your business succeed.

We present to you Manufacturing Technology Insights' "Top 10 Supply Chain Management Solution Providers - 2018."



Company:
MES

Description:
MES is a full-service provider of global manufacturing and supply chain management services and custom engineered solutions

Key Person:
Hiten Shah,
President & CEO

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