



CASE STUDY:

How a Global Electronics Manufacturer Navigated the Pandemic With No Supply Chain Disruptions

QUICK FACTS



650 suppliers mapped, down to tier-2



Precise location knowledge of 7,500 parts and materials



5 minutes to isolate which suppliers were impacted



12-months of supplies shipped prior to shutdown



INTRODUCTION

COVID-19 challenged and disrupted global supply chains more severely than any event in history. Many large manufacturers discovered—painfully—that there were hidden weaknesses in their supply chains. In contrast, companies that invested in supply chain risk management tools, particularly mapping their supplier networks, had a different experience. The following case study highlights one of these success stories.

PROBLEM

Referred to in this study as “Global Electronics,” a U.S.-based electronics manufacturer with more than 30,000 employees worldwide. Global Electronics sells high-performance components globally to original equipment manufacturers in a wide range of industries. It operates its own manufacturing plants in the U.S. and other countries and also relies on hundreds of suppliers and manufacturing sub-contractors worldwide.

On January 4, 2020, the manufacturer was alerted by Resilinc’s EventWatch about the potential supply chain impacts of a “flu-like illness” that had infected dozens of people in the Wuhan region; Wuhan is a major manufacturing hub for NAND flash memory, optical electronics, semiconductors, active pharmaceutical ingredients, and other high-performance parts and materials.

Global Electronics, aware that worsening conditions could mean inventory shortages for supplies, needed to act quickly to secure inventory fast.

SOLUTION

Having worked with and leveraged Resilinc’s Multi-Tier Mapping service since 2014, Global Electronics had successfully mapped the manufacturing and logistics locations of its tier 1 and critical tier 2 suppliers. * As part of this process, the firm expanded its mapping initiative from about 100 of its largest suppliers, prioritized by spend, to about 650 suppliers ranked by strategic factors, including:

- whether a supplier was the sole source of a part or material
- a co-developer of such a part
- revenue impacts of a delay or loss of parts or materials produced at specific sites



With this capability, the supply chain team had precise knowledge of the sites where more than 7,500 parts and materials were produced.

Aware that disruption was likely, the team logged into its Resilinc EventWatch platform and - within five minutes - was able to identify the specific Wuhan-area sites where its parts and materials were produced. What's more, Resilinc's system had automatically queried Wuhan suppliers about their status to determine:

- If they were impacted and if so, how severe
- If they had shut down or cut back on their output
- The estimated time to recovery

With Resilinc's automated tools, the team didn't have to scramble for the data it needed but quickly generated a list of critical suppliers in the disrupted areas and ascertained whether they were impacted and how seriously. Procurement staff concentrated on communicating with the most critical suppliers, especially those that had reported impacts.

As COVID spread across the world, Resilinc continued to provide detailed insights for Global Electronics related to likely disruptions due to border closures, travel restrictions and other COVID-19 containment policies.

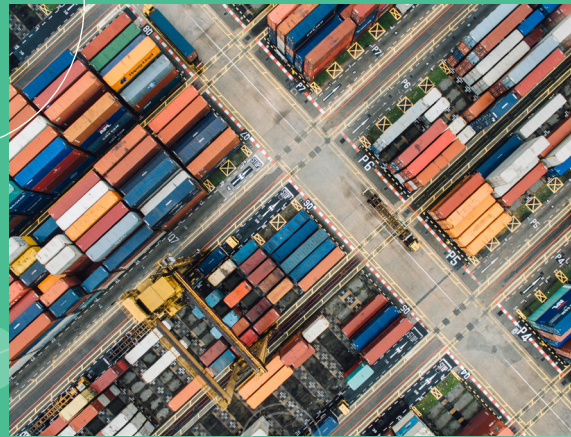
When California implemented its shelter-in-place order, Global Electronics identified - within minutes - one particular site that was storing a significant quantity of parts and supplies. With the duration of California's lockdown unknown, the supply chain team worked with the supplier to ship 12 months worth of supplies from the California site to a site in another state with less stringent restrictions.

LEARNINGS

By leveraging Resilinc's supply chain risk monitoring, mapping, and mitigation capabilities, Global Electronics navigated the COVID-19 pandemic smoothly and was able to offset the supply chain disruptions that plagued other companies.

This resiliency was mostly due to the maturity of the supply chain risk management (SCRM) program the company had developed with Resilinc prior to January 2020, and to supply chain risk monitoring and mitigation capabilities provided by Resilinc during the COVID-19 crisis.

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**Prior to mapping its supply chain, Global Electronic's supply chain risk group would respond to developing hurricanes or typhoons by asking category managers and regional purchasing staff to query suppliers about what sites they had that were potentially in the storm's track. This approach was time-consuming, inefficient and not very effective.*