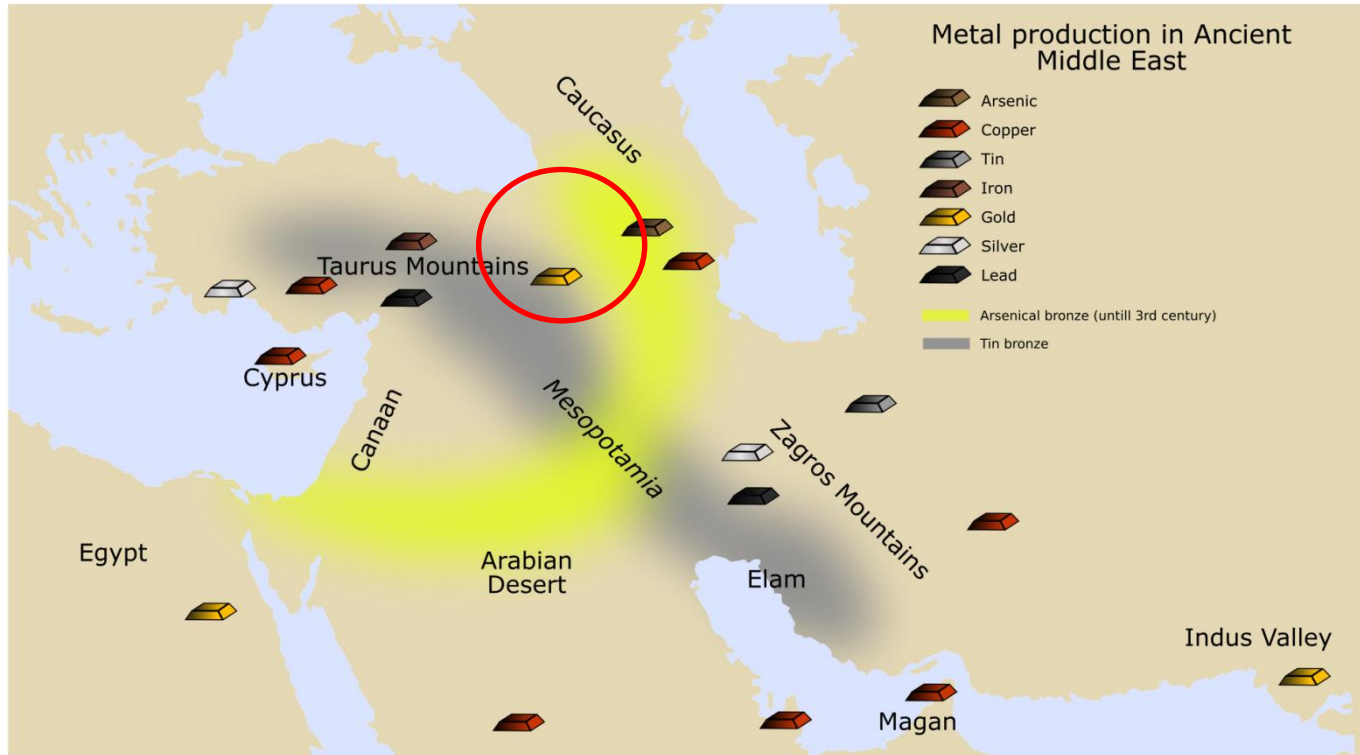


Contract machining: Differences in production's transfers at diverse stages of the projects

Petr Maschita

Co-owner & Executive Director



By Regs_productoras_de_metales_en_la_Edad_Antigua_en_Oriente_Medio.svg: Cratesderivative work: Phirosiberia (talk) - Regs_productoras_de_metales_en_la_Edad_Antigua_en_Oriente_Medio.svg, CC BY-SA 3.0, <https://commons.wikimedia.org/w/index.php?curid=8900808>



Transfer of production

When?

How?

Obstacles



- Basic reasons for using Contract machining
- Customers' expectations and expectations of the manufacturers

- Case study 1: Brand new product
- Case study 2: Innovation phase
- Case study 3: Long-time running project

- Obstacles of contract machining
- Benefits of collaboration with VMV

- Petr Maschita, Co-owner & Executive Director since 1996
- VMV, the Czech company with a focus on contract machining
- Master of Engineering, Bachelor in Humanities

Basic technological, economic and political reasons for using Contract machining



- Technological reasons
- Economic reasons
- Political reasons

Customers' expectations vs Expectations of the manufacturers



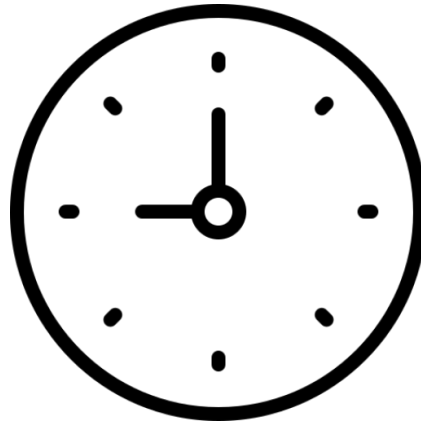
Costs vs Profitability



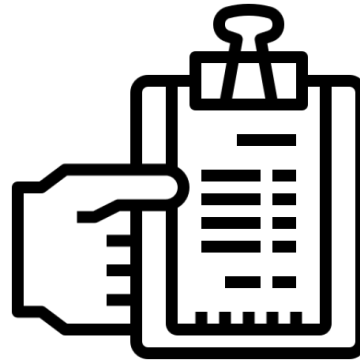
Risk distribution



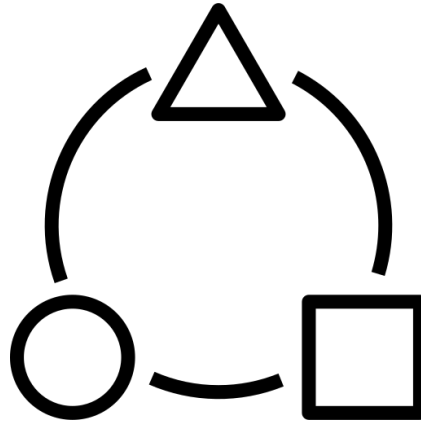
Short vs Sufficient lead time



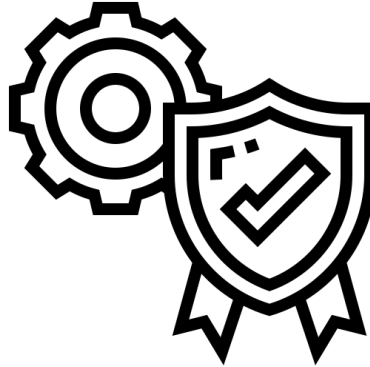
Uneven vs even orders



High variable vs Immutable production



Required vs Standard quality

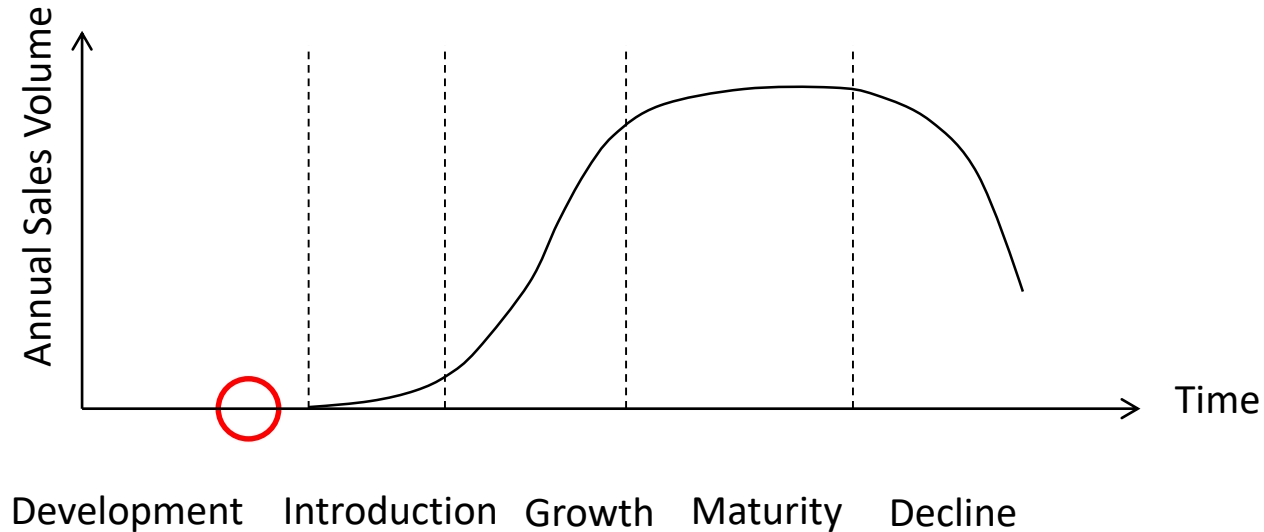


Transfer of the production to subcontractors - Timing differences

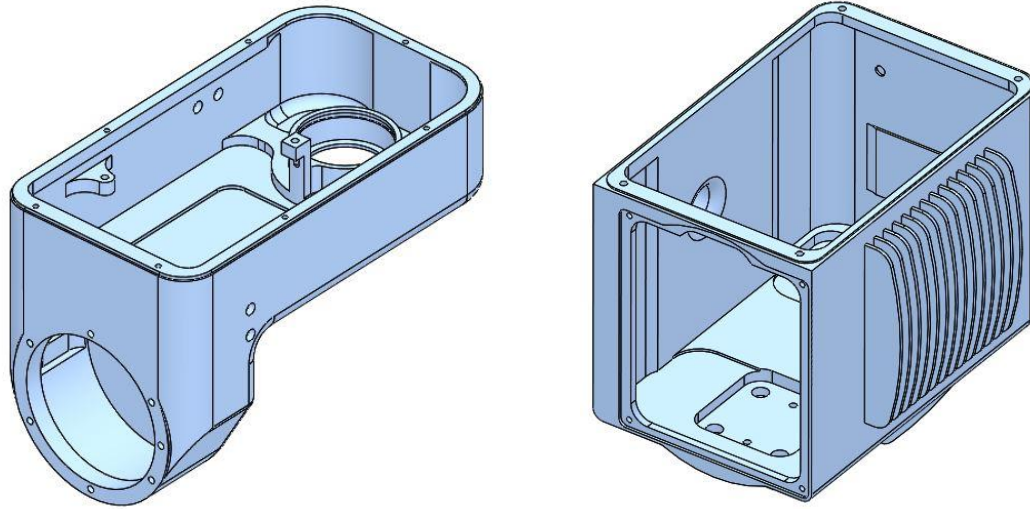


Case study 1: **Brand new product & Contract machining**

Stage: Development phase of the Product life cycle



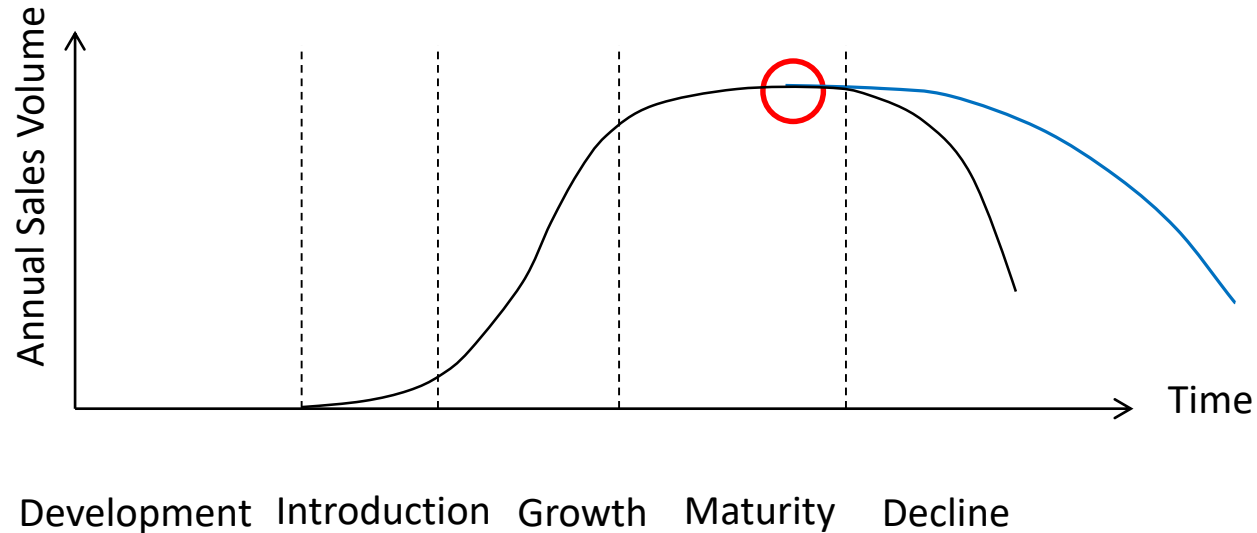
Case study 1: Brand new product & Contract machining



- Cooperation between the R&D department and contract manufacturer
- **Reduction production costs** when developing a new product
- Using suitable materials, shapes, standards and their combination

Case study 2: **Innovation phase & Contract machining**

Stage: Maturity phase of the Product life cycle



Case study 2: Innovation phase & Contract machining

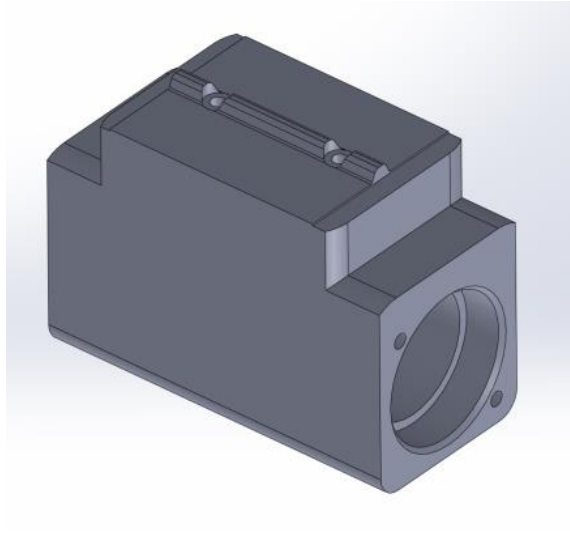
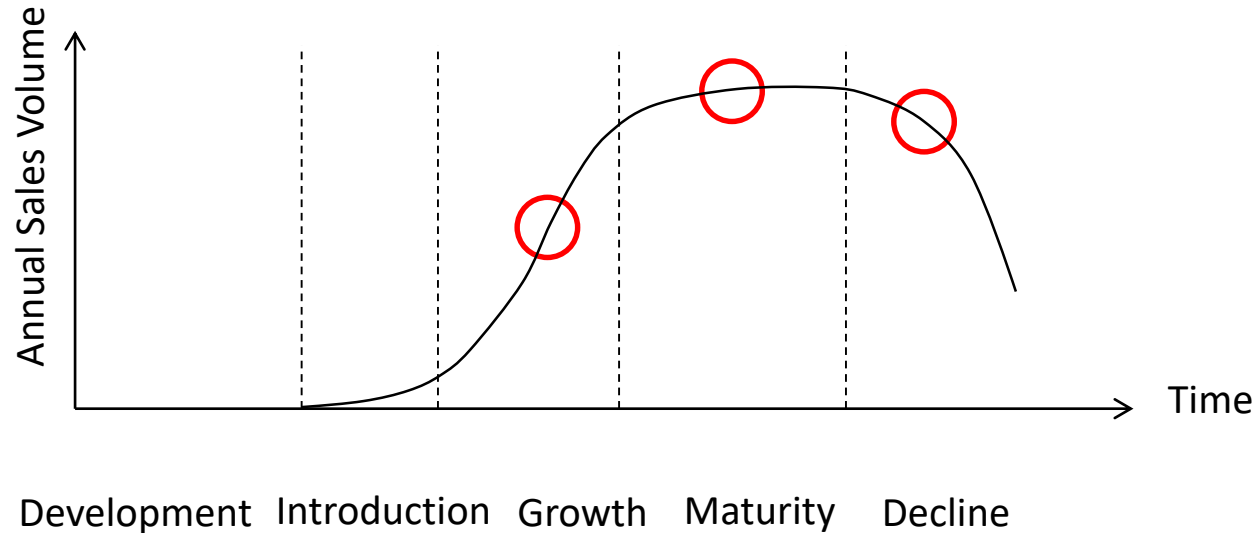


Figure of plastic bottle by Nicole Gordine - Own work, CC BY 3.0,
<https://commons.wikimedia.org/w/index.php?curid=16844093>

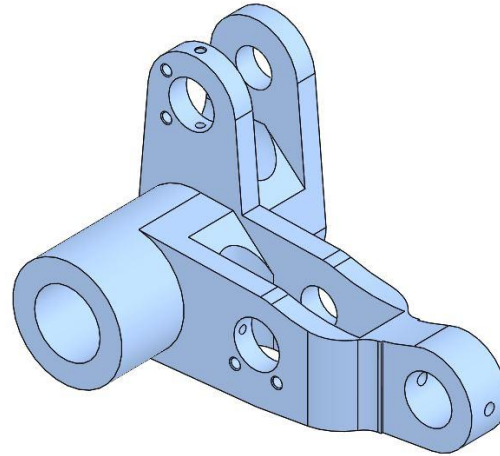
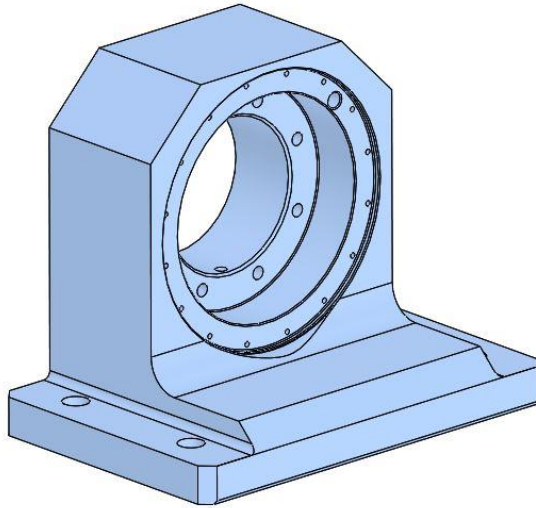
- Cooperation between the R&D department and contract manufacturer
- **Comparison production costs** when developing an innovated product
- Using suitable materials, shapes, standards and their combination

Case study 3: **Long-time running project & Contract machining**

Stage: Growth, Maturity or Decline phase of the Product life cycle

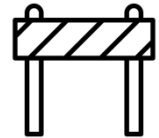


Case study 3: Long-time running project & Contract machining



- Cooperation between the purchasing department and contract manufacturer
- **Unlocking your capacities or Reduction production costs**
- Using forecasts, consignment stock, frame orders

Obstacles of contract machining and how to fruitfully face them



- Support of the relevant departments
- Compatible system
- Trust
- Communication

- Delivery of existing knowledge
- Delivery of all requirements
- Redundant requirements

Benefits of collaboration with VMV: Technological and economic aspects



- Experience and background
- Reliability of supply
- Quality
- Communications
- Internal system and processes

Contract machining: Transfer to a supplier

- Prepare your company
- Determine the right portfolio
- Find subcontractor

Contract machining: Transfer to a supplier

- Built the trust
- Share information
- Transfer

Contact **VMV** to help you

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