Abating Chinese Supply Chain Risks

Much has been recently written about the fragility of global supply chains. COVID 19, the trade war, increasing tariffs, and a sliding dollar have all been cited as good reasons to revisit the rationale of global sourcing and consider re-shoring. What has not been written about is the situation on the ground in China. The industrial supply base in China is in turmoil, many manufacturing companies have gone out of business, and many more are on the verge of doing so. It is anticipated that 30% of these companies will be gone in a matter of months, most truly informed observers consider that figure optimistic.

ASMG (Aerospace & Specialty Metals Group) (www.aiac-asmg.com) has extensive resources stationed in China who are available to assist our customers in re-shoring their products to North American companies while helping resolve their immediate China issues. Should you require any assistance with supply chain issues inside China, we may be able to help. Whatever one's Global Sourcing rationale was before COVID-19, it is clear that reviewing those decisions is now a matter of urgency. Costs and volumes have changed, the supply chain network is unhealthy, and the increasing tensions between North America (US/ Canada) and China are cause for alarm. We work closely with customers to help them calculate the true cost for Chinese sourcing and then help them re-optimize their overall supply chains. The optimization model uses metrics and intangibles to help customers determine their actual costs and risks as compared to a current-state on-shoring model.

ASMG has established US, Canadian, and Mexican manufacturing facilities with aerospace, automotive, medical, and industrial capabilities and capacity. We stand ready to support your company to overcome the current and future global supply-chain disruptions with our supply chain optimization solution. Please contact us at AbatingSCRisk@aiac-asmg.com to discuss how we can support your best low-risk strategic sourcing decisions.