



WORLDWIDE UNITED

CASE STUDY: VESTLYTE by Worldwide

The following case study should give you an idea of how a project with WU might unfold. This is a real example, but of course the details and challenges of this particular project are unique to this project. We pride ourselves on being professional, but also flexible. Our experience tells us what projects are a good fit for us. Once we decide to take on a project, we go all out.

The Initial Meeting:

One of our largest customers called David, our director of business development, about a new product they were developing. The project was urgent, so David rearranged his schedule so that he could meet them the next morning. At the meeting, our customer explained they were developing the Vestlyte, a small LED-embedded electronic that coupled our customer's fiber optic tube with a plastic housing and LED light.

Before the discussion began, David signed an NDA. He listened while our customer described their vision for the product, and raised several questions to get a better feel for product's primary functions the urgency of the development timeline. To get the project up and running smoothly, he needed a detailed picture of the project's specifics (i.e.: what kind of plastic, quantity, delivery deadline, type of LED, functions of the product, battery requirements, etc.). Initially, some of the goals seemed to conflict with each other, so David listed all the distinct requirements, and then had the customer prioritize them from most important to least important. This way, everyone could be sure that we were taking care of the most important things first.

Getting the project going - engineering to quote:

After the meeting, David and the sales team organized the information from the meeting and relayed the specifications and priorities to our China team. Our engineering and merchandising team began their review process so they could put together a quote. During the review, they discovered several opportunities to build some of the component functions into the plastic body. This eliminated several assembly steps, making the product less expensive to produce reducing the opportunity for assembly error. When we shared these ideas with the customer, they were happy that we had noticed an opportunity to reduce cost and improve quality. They approved the modifications.

While digging deeper into the project, we also noticed that a certain electronic component was cheaper if we purchased it through a local supplier, instead of the international supplier that the customer had suggested. When we gave the customer this option, they decided not to take it; the component was critical to product's functionality and there had been problems on some of their other products because of this component. They told us it was worth the additional cost to use the component from the international supplier.

The customer had also requested that we make the Vestlyte waterproof for deep water applications. We were happy to oblige, but we needed a clear definition of "deep water," and we needed to agree on how to test "waterproof." Just *how* deep is deep water? We needed a clear and objective testing standard to make sure that everyone shared the same understanding of "waterproof" and "deep." The customer decided that while the product was advertised to be waterproof at 50 meters, they would be more comfortable with waterproofing to 70 meters. Our current testing tanks were only able to recreate water pressure to the depth of 50 meters. We charged the customer to make a new tank that could simulate water pressure at 70 meters. It didn't cost much and it was money well spent. We also agreed on the time for which the product would be tested, and how many we would test from each batch.

We also addressed the customer's concerns about impact and crush resistance; we recommended a particularly durable material, nylon 6/6 with a thirty percent glass fill. While it was not a part of the customer's initial waterproofing requirements, we decided to apply a conformal coating to the PCB just in case someone was changing the batteries near the water and humid air entered the product interior.

The entire planning phase took approximately three weeks, and lots of communication between our customer and us. The success had a lot to do with the customer's willingness to discuss these issues. While we were rearing to go, the project would have been put on hold numerous times if the customer had not promptly replied to our questions and took the time to consider the questions we raised. Now that the preliminary design was finalized, we quoted the customer on both their original design and on the design with the refinements suggested by our engineers. The quotes included both a tooling/setup cost and a unit cost broken down according to the customer's quantities (1,000 units; 5,000 units; and 10,000 units).

Terms and Production:

The customer was in a rush to get started. We reminded them that they needed to pay a 50% deposit by T/T in order to get things started as quickly as possible. They arranged for their accounting department to make payment that afternoon, and then they faxed us a copy of the T/T request that they had submitted to their bank so that our bank trace it if we did not receive it the next day. Upon receipt, the tooling was opened and completed after 30 days. Following first shot sample approvals, the production began and ran for 35 days. Our previously negotiated terms required payment when the goods were delivered to port FOB Shenzhen. After receipt, the goods were placed on a vessel and after 3 weeks on the water were delivered to our customer.

Key WU customer service points from this example:

1. We have a personal touch. David and the sales team are available for face to face meetings.
2. We try not to begin production without first looking for ways to improve it. Product improvements mean better sales and smoother production. We want our customers' products to sell well so we can receive continuous orders. If we see opportunities to improve function and marketability (cost, outlook, both), we will make suggestions.
3. We know our niche, and we only take projects that are "in our wheelhouse." This means that we take projects we know a lot about. As with the Vestlyte, WU was perfectly suited to take on this project and deliver it on time.
4. We are a team. Each portion of the team has their specific tasks and reports to a project manager. This fluid and organized system is efficient and enhances clear communication with the customer.