

Creation of a New Global Supply Chain for a Spin Out of 2 Divisions of Motorola.

& Established a New Trading Company and Business Operations in Brazil.

In October 2011 an American venture capital company acquired two separate operating divisions of Motorola and formed a new company. The spin-out was focused on wireless broadband hardware supply to the business market. The agreement allowed a 9 month transition period after which all purchasing and supply chain activity would no longer be undertaken by Motorola. A completely new supply chain operation, from manufacturers to markets, had to be created and running by July 2012.

Having direct experience of Stuart Lester working on previous supply chain initiatives, the VC firm contacted Opptic to work within the new company to manage the transition.

From September 2011 to June 2012 Opptic:

- processed & analysed historic global supply chain data and projected transaction forecasts
- gathered all Product Master File and Bill of Material data for potential 3PL impact
- wrote full Scope of Work and identified potential partners
- prepared and issued formal Requests for Quotations
- evaluated and negotiated with 5 global supply chain partners in America, Europe and Asia
- selected and refined precise trading terms with the successful bidder
- drove the early stages of the on-boarding process.

This included gaining a full understanding of the purchasing, storage and configuration of product through Motorola's systems and facilities, at multiple sites, as well as determining design and transaction improvements which could be achieved by implementing fresh systems within the new operations and a more flexible IT environment

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Working closely with the existing teams enabled a project handover well before the final transition date with the actual migration managed by the in-house management and staff. This included the outsourcing of licence and software upgrade service provision as well as hardware freight, storage and configuration.

At the same time as this transition project, Opptic also took on special responsibility for setting up a new Brazil company and operations for the business. This included negotiating the transfer of existing finished goods and parts inventory (with appropriate E&O reserves) in a complex trading and fiscal environment, and personally overseeing the first 3 months of product procurement and supply into the Brazil market as the new operations got under way. This work ensured limitation of financial risk from the transition, and tax efficient forward operation, while maintaining continuity of supply to the local customer base.

This case study demonstrates how Opptic expertise and resources could be leveraged to ease the burden on existing management from major transition projects associated with a re-structuring buyout within an aggressive time-line. Opptic were able to draw on extensive global contacts to help establish new activities in Europe, America, Asia and Brazil. Existing permanent staff were freed up to be able to maintain existing day to day operations while also handling other areas of the transition. Opptic's wide experience of working in different cultures and environments was also valuable in supporting staff from very different business backgrounds to come together effectively in the newly integrated company.

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