



Time to re-evaluate supply chain partnerships

Managed supply chain services provider, Riverwood Solutions, reveals its latest OEM survey reflects the impact of the economy on the strategic outsourcing of supply chain professionals across the globe.

The March 2009 survey, which covered 75 OEMs, illustrated that the majority of OEMs are concerned about the viability of key supply chain partners, including both EMS providers and component suppliers. Around half are considering strategic operations alternatives, such as relocating outsourced production to different geographical regions or partners to further reduce costs in this challenging environment.

Key findings include the fact that 31 per cent of OEMs report being very concerned that their EMS provider will be unable to meet their delivery commitments in the coming year based on financial difficulty. COO, Riverwood Solutions, Ron Keith said: "The current economic environment will create not only serious dislocations but also tremendous competitive opportunities in the electronics supply chain over the next few years."

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