

# Still manufacturing in China? Of course

Accelerating the future



Given the rhetoric of the past few years, it would seem that manufacturing in China may not be the optimal choice for your business. International policies, conflicts, the pandemic and resulting supply chain problems have left people unsure and looking for alternatives to source from.

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As a global organization that has their feet on the ground in the country, NTS can offer a more nuanced point of view on this matter. Yes, the skepticism is valid. While recent challenges like supply disruptions, and geopolitical strategies raise valid concerns about China, it's crucial to acknowledge the country's growing economy and opportunities. The industry experts trust its potential. The simple truth is that China continues to be a manufacturing solution provider that is still highly relevant for your requirements.

### "The next China is China"

Joe Ngai, Chairman, McKinsey China.

Here are some of the reasons why, as a production hub, China should (continue to) be on your preference list:

- Fully mature and qualified manufacturing eco-system
- 2. Stable business environment
- An agile and skilled labor force equipped with capacity
- 4. Logistical advantage
- 5. Technology adoption
- 6. Access to local market
- 7. Competitive advantages

### Why China?

#### Fully mature and qualified manufacturing eco-system

The Chinese manufacturing industry is mature and fully qualified to meet international quality, international business standards and adopt best practices. While manufacturing hubs in other Asian countries may follow the same path to develop, China is decades ahead and will always have the first-mover advantage.

#### 2. Stable business environment

Stability and predictability are the key goals of the Chinese administration. This is underscored by the fact that China continues to be one of the most cost-effective manufacturing locations.

### 3. An agile and skilled labor force equipped with capacity

Agility and perseverance is where both people and organizations in the industry in China excel. Nothing is impossible and every promise is met. China possesses vast manufacturing infrastructure and a highly skilled labor force. The country has the capacity to handle large-scale production volumes with quick turnaround time.

#### 4. Logistical advantage

With the highest number of sea/air/road/land freight options for import and export, China already has the kind of supply chain integration that will take years to emulate anywhere else. All this, while it's still expanding into new trade routes.

#### 5. Technology adoption

When it comes to R&D as well as adopting to new technology, China and Chinese manufacturers are often at the forefront, sometimes even leapfrogging a whole generation of tech advancement.

#### 6. Access to local market

Manufacturing in China provides access to the world's largest commercial market, that prefers locally made components and products. By manufacturing in and producing from the country, companies can cater to the local demand and tailor their products to the preferences of local businesses, in addition to their international customers.

#### 7. Competitive advantages

Being on the ground in China helps you understand what is happening in terms of processes, technology and competition, while you also benefit from relative cost advantages as a customer.



## **NTS Shanghai**

Since 2004, NTS has established a strong presence in Shanghai, serving high-tech clients in Asia - both local and from other parts of the world. We're unparalleled in what we offer here - with regard to manufacturing and assembly as well the mature and experienced Development and Engineering team.

Our strength is further enhanced by leveraging the capabilities of other NTS sites, including one in Southeast Asia. We work cohesively across locations with interdisciplinary teams. It's a win-win for our customers, including those pursuing a 'China plus one' strategy. Benefit from the advantages of manufacturing in China, backed by the resources of multiple NTS sites when needed.

#### Overview : from design to industry-readiness

#### Competences and expertise

- Our core competence lies in high-tech and high precision mechatronics development and engineering, assembly and testing in annual volumes of 25 to 2500 pieces.
- Experienced in building modules and/or complete systems with system integration.
- Over 25 transfers to volume production in China.

#### Capabilities and staff

- Agile, flexible and fast ramp-up with a proven track record working with top 5 original equipment manufacturers in the Semicon industry.
- Modern facilities with international management and global training. As part of a global organization, we always integrate the latest developments
  - whether it is with technologies, our technical



know-how or international best practices and trends.

#### Supply base

- A qualified, mature high-precision supply base that we have developed and worked with, for two decades, to ensure high level performance, longterm solutions, agility to address customer-driven demands and challenges.
- Mature and agile supply chain management by a highly experienced, well-trained team, which has been working for a long tenure, with both international and local suppliers.
- Fully localized BOM so the entire production is done in China and your products are 'Made in China' for the local market, which brings a definite advantage.

#### **Development & Engineering**

 With Development and Engineering capabilities in Shanghai as well as across the globe, we have a long track record in developing and improving high speed/precision mechatronic modules

- In-house D&E capacity to support development, trouble shooting and value engineering.
   The D&E team also helps with support of transfers, cost-downs & localizing processes.
- In-house manufacturing and engineering. Our skilled product engineers work independently and directly with the customer's (local) engineers

#### Value-add for customers

- NTS Shanghai takes care of putting complete systems into operation as well as repair and service for the end customer in China, when needed.
- RMB-based cost structure. Having a cost structure based on RMB ensures that the customer is less affected by exchange rate fluctuations
- We offer open calculations and long-term fixed prices which makes us reliable partners, focused on mutual development.

- A highly experienced project management team that has been professionally appraised and ensures smooth project communication and flow.
- NTS Shanghai excels at customer satisfaction.
  Winning 5 Best supplier awards is a mark of our commitment to our customers.

Do you have any questions or comments related to NTS Shanghai? Get in touch

Bas Kreukniet Managing Director NTS Shanghai

Bas.Kreukniet@nts-group.asia





Let's accelerate your future. NTS-GROUP.COM | +31 (0)40 259 72 00 | NL CZ SG CN US

