

RIDE THE CHANGES WITH CONFIDENCE

Rapid changes in component technology equate to obsolescence issues, but Elite Electronics Systems keeps customers ahead of the game. Elite's Jackie Beresford explains how

One of the key roles for any electronics manufacturing solutions (EMS) provider is sourcing components for customers. These components are rapidly undergoing technology advances, both in performance and size. This presents a challenge to every EMS provider in keeping customers up to date with any changes, especially when dealing with components that are approaching obsolescence.

Elite Electronics Systems in Northern Ireland has implemented a number of processes to keep its customers ahead of the game.

Clever quotes

The process of obsolescence management begins at the quoting stage. An experienced quoting team with an understanding of component management will work closely with key suppliers to identify components that may face obsolescence in the short to medium term, or which may be hard to source as production approaches. At that early stage in the process, Elite will pass this information to potential customers and in some instances make recommendations on alternative components.

Jackie explained: "As manufacturers, we understand the financial implications of components going obsolete during production. The excellent relationships we maintain with suppliers enable us to identify component sourcing issues and obsolescence at a very early stage and present that information as part of the quote."

Raising the issue of obsolescence early in the process has major benefits for OEMs, whether they choose to work with Elite or not.

Obsolescence is a more pressing issue with Elite's existing customers, most of whom have been manufacturing with Elite for a considerable period of time. For many of these longstanding



Storage capacity at Elite allows components to be stocked for longer term demand

customers, component obsolescence is inevitable and Elite works closely with suppliers and customers to manage obsolescence and reduce any risk associated with obsolescence.

Proactive management

There are various steps Elite takes to ensure smooth waters for customers.

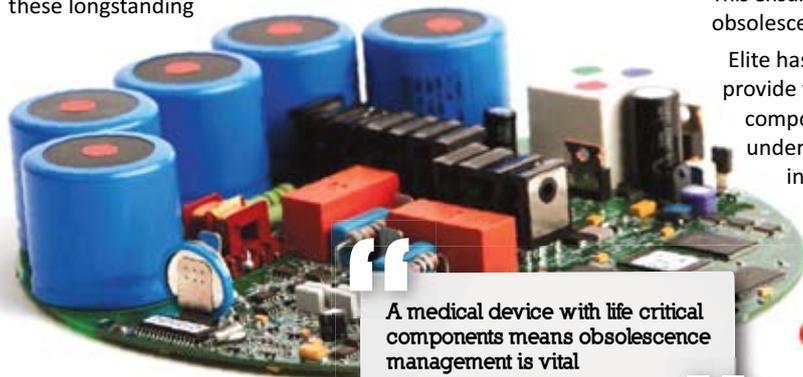
Jackie said: "We are engaged in a proactive process for managing the production availability of components. It begins with our relationships with suppliers, which means we get plenty of notice on components approaching obsolescence, particularly if we have purchased those components in the previous 18 months. These notices provide Elite with key information which includes, last order dates and also, in many cases, a list of alternative components."

Acting on this information, the purchasing team will initially communicate with the customer, advising them of the relevant issues and making recommendations on alternative components.

In many instances a short term solution is to purchase components at last order date to facilitate continued production on the factory floor. This gives Elite, the customer and suppliers time to work together on a potential redesign to facilitate new components, validate new components and test products with new components.

In each instance Elite is working with the customer on longer term strategies to ensure minimum disruption to production schedules. This ensures customers avoid any costly resolutions when an obsolescence issue occurs.

Elite has developed a number of key facets which allow it to provide this proactive service to customers in dealing with component obsolescence. These include developing an understanding of the current and future risk to the components in all customers' systems as well as understanding the future and current obsolescence risks. This is backed, of course, by excellent channels of communication with both customers and suppliers.



A medical device with life critical components means obsolescence management is vital

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