



An **ids** Success Story

FMCG PRODUCT MANUFACTURING IN THAILAND. HASSLE-FREE.

With a youthful and increasingly affluent population, the Thai Personal Care sector presents a lucrative market for global brands. IDS Manufacturing enables multinationals to rapidly bring their products to this market without having to manage the endless chores of plant operations.

Some multinationals choose to enter this market by importing their brands directly into the kingdom. Others invest to build their own local manufacturing plant. Then there's the option of joining forces with local producers who will share their excess capacity. Each of these approaches carries significant risks. For many brands, the most attractive alternative is to partner with an established contract manufacturer who works exclusively for third parties.

In Thailand, the leading contract manufacturer is IDS Manufacturing. The company has gained the trust of many

of the world's biggest brands. Because IDS doesn't own or manufacture any of its own brands, customers can be sure that all efforts are totally dedicated to their interests. IDS is committed to keeping customers' product formulations, sales volumes, promotion ideas and packaging designs strictly confidential.

On the following pages you'll learn how IDS Manufacturing was instrumental in building success in Thailand for a world leading personal care brand.



A member of the Li & Fung Group



FINDING A CONTRACT MANUFACTURER WHO WORKS ONLY FOR BRAND OWNERS

A brand owner from the US or Europe who wishes to operate in Asia faces a host of difficulties. This applies both to brands who want to manufacture in Asia for export, and those who wish to break into Asian markets. Many have concluded a manufacturing partner is an essential component to their Asia strategy. But how can a company identify the right partner?

THE SITUATION

A major multinational producer of a range of personal care products sought to increase its market share in Thailand. The company decided it would gradually move to totally outsourced manufacturing to concentrate its core resources on marketing, distribution and brand building. The success of this strategy depended entirely on its ability to identify an experienced independent manufacturing partner who was prepared to make a considerable investment in plant and capacity.

After weighing its options, the customer decided to move some of its output to IDS Manufacturing. The scope of the project was enormous. Each year the customer launches new products, each of which is rolled out to meet very tight time schedules. All its products are produced to the highest quality standards, and its manufacturing specifications and tolerances are extremely exacting.

IDS Manufacturing was required to prove its ability to conduct large scale production for this most demanding customer.

THE SOLUTION

IDS Manufacturing resolved to reengineer its business to meet the demands of the customer. This required a considerable investment in plant. After close consultation with the customer, IDS Manufacturing



“ IDS Manufacturing has established a close working relationship with the customer and became an integral part of the customer’s business. The customer now regards IDS Manufacturing as part of its company instead of a third-party supplier. ”

upgraded its facilities so they could be rapidly scaled to meet all current and future demand. IDS Manufacturing also redesigned processes and deployed an MFG/Pro based system that monitors and reports on every aspect of manufacturing and quality control. The system represented an ideal infrastructure for manufacturing both for local and export markets.

THE RESULT

Before long, the decision to go with IDS Manufacturing proved to be a very sound one. Today IDS Manufacturing produces the customer’s entire Thailand product range. The production plant has achieved ISO 9001 and ISO 14000 certification, and has Good Manufacturing

Practice and Good Laboratory Practice facilities. IDS creates success by operating under a very simple manufacturing philosophy – Do it right the first time.

IDS Manufacturing is closer to its customer than ever. Each year begins with setting targets and jointly developed objectives. The partners collaborate closely on new product development, selection of suppliers and procurement. IDS Manufacturing has become an essential part of the customer’s business. In fact, this customer has gone on the record to say, “We don’t regard IDS Manufacturing as a supplier, it is more like a part of our company.”



GETTING IT RIGHT THE FIRST TIME IN THAILAND

When it comes to manufacturing personal care products in Thailand, IDS Manufacturing has all the answers. Here's why we've become the leader:

- We bring over 40 years' experience producing large volumes of packaged home and personal care products for multinational brands
- We provide totally customized services, or slot customers' products into our large capacity operations
- All our operations are supported by a sophisticated and transparent IT network that provides customers with complete visibility into every aspect of their manufacturing operations
- We manufacture to the highest global standards including ISO and GMP
- We own no brands nor produce any products of our own – all our resources and knowledge are dedicated to enhancing our customers' businesses
- We provide a variety of value-added services, including product development, process development, procurement and supplier negotiation. Ultimately, we work in precisely the way our customers prefer

INTEGRATED-DISTRIBUTION SERVICES FROM THE IDS GROUP

The IDS Group provides our business partners a menu of Integrated-Distribution Services in three core businesses across Asia:

Marketing, Logistics, and Manufacturing

Logistics is the fundamental enabler, connecting each into an end-to-end value chain from raw materials to consumer.

We call this unique proposition

Value-Chain Logistics

