

WHY OEDM MATTERS

It is generally acknowledged that:

- developed economies (DE) need to rebalance towards manufacturing
- manufacturing in a developed economy should be 'knowledge based'

OEDM is a response to this.

Currently:

- There is a well established contract manufacturing (CM) industry in DE's but this needs to evolve to become more sophisticated.
- There are a lot of businesses trying to bring new products to market, to broaden their offering ; ie a strengthening focus on innovation.
- There is a vibrant culture of product innovation , many startups
- Product life cycles are becoming shorter and more volatile

An OEDM service is an evolution of the current contract manufacturing model to supports indigenous businesses facing these challenges; either a CM who is struggling against international competition or an innovator business that is trying to bring product to market.

An effective OEDM service will result in the product reaching market faster and more efficiently than most current methods allow, and vitally it maximises the knowledge based manufacturing element that is kept in the UK.

We need to be clear that an OEDM business must rely on a sophisticated global supply chain, carefully selected to deliver best value, that is the an optimal price performance compromise.

To date there has not been a clearly understood or consistent market architecture that could be readily adopted and used by the large and diverse contract manufacturing sector (serving many markets and comprising of many different services) to evolve into the knowledge based businesses that countries such as the UK need ; in order for its existing and new business community to bring innovative products to market ; while maximising the value add and knowledge that is retained in the UK.

While we are clear that many CM businesses have are evolving, so far a common language and service model has yet to emerge. This makes it difficult for people to identify the supplier that best matches the needs of the innovator and the innovator expects too little of its partners, as they do not understand what they are 'entitled' to.

OEDM is a model that when embraced fully can create a win-win partnership with real synergies, rather than often mistrusting the buyer-supplier relationship that exists in the CM service world.

The objective of our goal of creating recognition for the OEDM sector, is to illustrate what it is possible to achieve in the UK, and then to challenge the existing CM supply chain to up skill and reinvent itself, which will be to the benefit of both themselves and to the UK as a whole.

Brian Palmer