



## Letters To The Editor For April 2007

Success in manufacturing depends on production that is close to the customer coupled with talented employees.

April 1, 2007 -- Re "[Just In Time -- A Cynic's View Of Washington](#)," February 2007.

I am a strong believer that manufacturing is where the market should be. It is no surprise that factories are being built by Honda and Toyota in the United States, while GM and Ford are closing plants and running to low-cost operations. I believe manufacturing as we know it will change as the market shifts to a global economy.

Here is my take on why there should be more manufacturing in the United States.

As the world moves away from mass production to mass customization, manufacturers must have the ability to produce what the customer wants, when the customer wants it and in the form the customer wants it. They will be compelled to set up units not at the location where labor is the cheapest, but as close to the end market as possible. Just-in-time will not be viewed as a manufacturer's production prerogative, but the customer's buying prerogative, i.e., finished goods will be assembled or kitted very close to the point of sale, just prior to sale.

As the number of finished good SKUs increases dramatically, components will need to be more standardized. The concept of what a finished good is will change. Engineering and design will not be isolated back office tasks, but will live at the point of sale. In certain sectors it can become self-service engineering. But when customers participate in engineering processes at the point of sale, how can companies forecast demand? How can a company batch produce or ship from 10,000 miles away and effectively deliver? Flexibility and responsiveness will drive future factories and their distribution channels.

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Link: <http://www.industryweek.com/ReadArticle.aspx?ArticleID=13714>