

## **Rationalization Matrix**

This chart was assimilated by a medical device OEM with the goal of reducing the supply chain to a manageable number.

The process plan was to do an in-depth study of the present supply chain for injection molded product and reduce this supply chain from thirty (30) suppliers down to three (3) suppliers.

A Plastics Commodity Team from various disciplines was put together which included Purchasing, Quality, and Engineering. Once the critical attributes of an “optimal” supplier were clearly defined, then the monumental task of interviewing/auditing each of the current suppliers was commenced. This process took eighteen (18) months to complete.

The Plastics Commodity Team identified three companies which were considered to be the “benchmarks” in the injection molding industry. A portion of these “benchmark” companies were current suppliers to this company. Upon final completion of the eighteen (18) month study, SMC scored much higher than any of the “benchmark” companies and other companies considered a part of the same peer group.

The Plastics Commodity Team formally announced that SMC was one of the final chosen three (3) suppliers. The consolidation process has begun with substantial business being transferred to SMC.