

Providing the Value of American Manufacturing

Spectrum Plastics Group (SPG) is a mid-sized manufacturer headquartered in Minneapolis, MN with multiple facilities across the U.S. The organization provides customers with a wide array of product development services ranging from rapid prototyping and injection molding to complete contract manufacturing.

Setting the Groundwork for Growth

Like many U.S. manufacturers, SPG wanted to become more competitive. Specifically, its Ansonia, CT location was looking to increase efficiencies and profitability. CONNSTEP, Connecticut's NIST/MEP affiliate connected with the company and conducted lean manufacturing projects with their team. As a result, SPG was able to reduce production costs and improve operations to better service clients. CONNSTEP also worked with SPG to create a company culture that consistently identifies opportunities to increase sales from both new and past clients.

Reshoring Efforts Leads Manufacturer to Increased Sales

While looking for ways to grow sales, SPG recognized a trend with former clients who had once left them for foreign competitors. Many of these past customers were experiencing difficulties working with their foreign partners and wanted to bring back their molding and assembly work to the U.S.

For example, a former electronics customer asked SPG to quote mold transfers and consider building new multi cavity molds to replace those built by foreign businesses because of continuing intellectual property issues. The former client was also experiencing intellectual property issues with foreign competitors and cited how an overseas partner did not comply with non-disclosure rules. The cost of the flights to dispute the resulting claims alone outweighed the costs realized on the cheaper-made products. The discussion led to the reshoring of several existing molds, allowing SPG to obtain new sales. This connection proved to be beneficial to SPG in the long run, as the client subsequently placed many new orders. After a five-year exit to the Asian market, the customer brought SPG back as their preferred supplier.

SPG is now embracing reshoring and has earned back the business of many former clients across numerous industries, greatly increasing their sales. The topic of reshoring is now a monthly discussion with former, existing and new customers.



Benefits of “Making it in America”

Companies are realizing that American manufacturers provide something that foreign competitors cannot: value. Businesses should engage in reshoring initiatives because manufacturing in the U.S. provides:



Quality: American manufacturers can quickly and accurately customize products to meet the needs of all consumers.



Convenience: U.S. companies are easier to contact, provide more flexibility and have quicker response times.



Customer Service: Making changes to orders is more feasible with U.S. businesses (i.e., supply chains).



Cost-effectiveness: The total costs of ownership associated with foreign competitors outweighs the cheapness of their “per product” figures.



Supporting America: Manufacturing products in the U.S. supports our economy and job growth.