



SUPPLY CHAIN MANAGEMENT AS A SERVICE (SCMaaS)

**CASE STUDY: FROM BLACK BOX TO
DIRECT ACCESS: ACHIEVING MARKET
PRICING AND TARIFF RESILIENCE
THROUGH RE-SOURCING**



ABC | Group
Asian Business Consultants

THE CHALLENGE



A publicly traded manufacturer of medical products had long relied on a foreign broker to manage procurement across its Chinese supply base. While this arrangement provided short-term operational convenience, it came at a cost: limited visibility into true supplier-level pricing and a growing vulnerability to single market risk.

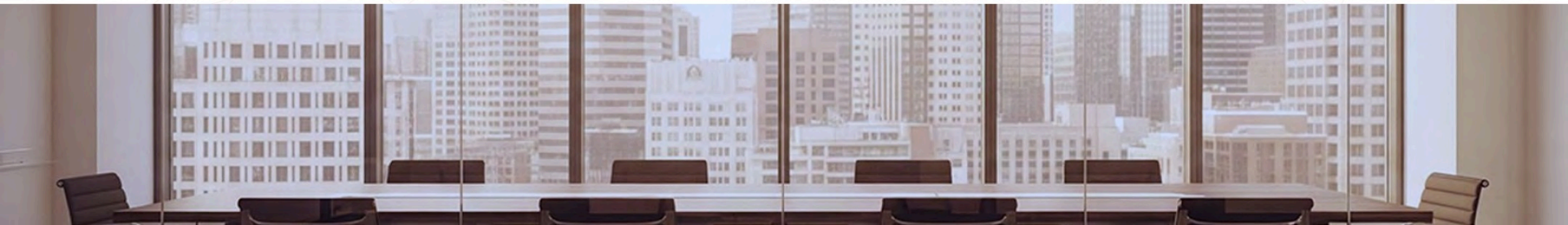
As U.S. tariff policy grew increasingly unpredictable, the concentration of the Client's supply base in Mainland China emerged as a pressing financial threat to their bottom line. Facing these challenges, our Client approached their foreign broker seeking solutions to offset rising tariff costs and a pathway to diversify into new markets, however these efforts were met with resistance and significant capital expenditure.

Recognizing the need for both true market pricing intelligence and a credible path toward supply chain diversification, the Client turned to The ABC Group to conduct a comprehensive re-sourcing initiative. The dual objectives were clear: establish a true competitive pricing baseline across existing categories and identify qualified alternative suppliers capable of reducing the Client's single-country tariff exposure.

After evaluating various approaches — including attempting to leverage both their foreign broker and foreign-owned sourcing office — our Client selected The ABC Group's Asset Light Supply Chain Management model. This Supply Chain Management as a Service (SCMaaS) model delivers immediate in-market sourcing capability across multiple geographies without the cost or setup time of opening new offices.

OUR APPROACH

- ▶ Recognizing the time-sensitive nature of the Client's tariff exposure, The ABC Group moved quickly to structure and execute a targeted re-sourcing program across five product categories in China and India. Our team began by analyzing the Client's existing product portfolio to identify and prioritize SKUs by annual spend, complexity, and supplier market depth. This sequencing allowed our team to direct outreach efficiently – targeting manufacturers best suited to meet the Client's technical specifications, quality standards, and regulatory requirements.
- ▶ Over the course of a four-month engagement, The ABC Group contacted over 200 suppliers and sub-suppliers across both regions. This outreach generated viable price quotes from multiple qualified manufacturers spanning five product categories. Where documentation gaps created barriers to supplier participation – including missing technical drawings and incomplete material specifications – our team worked proactively to bridge those gaps and maximize quoting activity.
- ▶ To ensure the Client could act immediately on findings, our team developed a centralized costing analysis benchmarking new supplier pricing against current costs across all categories. This gave the Client a clear, data-driven view of its savings opportunity – and meaningful leverage with its existing supply base regardless of whether new suppliers were ultimately onboarded.



VALUE CREATED

\$200K+

Annual savings identified across five product categories

9.5x

Estimated return on investment

200+

Suppliers and sub-suppliers engaged across China & India

5

Product categories evaluated across two markets

By executing a disciplined re-sourcing initiative, The ABC Group delivered both immediate financial returns and lasting strategic value for the Client.

Most directly, the project identified in excess of \$200,000 in annual cost savings across five product categories – representing an estimated 9.5x return on investment. These savings were accessible through two paths: onboarding newly qualified suppliers identified through the engagement, or leveraging competitive pricing data to renegotiate terms with the Client's incumbent supply base.

Beyond the financial outcomes, the engagement delivered something the Client had lacked for years: true market visibility. After operating through a broker intermediary, the Client gained direct access to a vetted pool of manufacturers, complete with detailed supplier profiles, certifications, and production capabilities across China and India. This marked a meaningful transition from opaque, intermediary-managed procurement to direct supplier relationships – giving the Client both greater control and long-term optionality over its supply chain.

From a risk management perspective, the project also validated the viability of sourcing in emerging markets such as India, establishing a foundation for longer-term supplier development in that market.

Collectively, these outcomes positioned the Client to make informed, strategic sourcing decisions – equipped with the pricing intelligence, supplier relationships, and market knowledge needed to navigate an increasingly complex global trade environment.



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