SUPPLY CHAIN MANAGEMENT AS A SERVICE (SCMaaS)

CASE STUDY: FROM NO PRESENCE TO TRUSTED PARTNER: IN-MARKET QUALITY CONTROL FOR A REGULATED INDUSTRY

ABC | Group
Asian Business Consultants

THE CHALLENGE

A publicly traded company in the transportation sector was looking to establish direct sourcing relationships in Mainland China but lacked any in-market presence to support those efforts. Given the highly regulated nature of the Client's industry, extensive in-market auditing and quality control support was required to ensure ongoing compliance and continuity of operations — both of which could be severely impacted in the event defective parts were received at any of their global manufacturing plants.

To address these concerns, the Client evaluated three paths forward: opening a foreign office, engaging a foreign broker to oversee quality control, or a third option presented by The ABC Group — transparent, on-the-ground quality management capabilities without the burden of fixed overhead or capital expenditure.

After completing a formal RFI process and evaluating all available options, the Client selected The ABC Group. The decision was driven by our asset light model's absence of capex requirements, full supply chain transparency, and a proven track record of supporting quality and auditing functions in the region.

OUR APPROACH

Upon engagement, The ABC Group audited all existing and prospective suppliers using the Client's own internal auditing criteria, establishing a baseline for supplier readiness across Mainland China. Prospective suppliers were then classified on a sliding risk scale, and our firm proactively worked with each to implement Corrective Actions ensuring full compliance with the Client's audit requirements before production commenced. Notably, the Client described the onboarding process as straightforward, requiring only minor adjustments to integrate The ABC Group into their existing workflows.

Our firm then fully integrated into and implemented the Client's existing global quality control standards and practices. This approach maintained consistent quality performance across geographies and eliminated any learning curve for the Client's larger organization — ensuring a seamless extension of their existing quality management system rather than a parallel process requiring separate oversight.

Once integrated into the Client's quality management system, The ABC Group began routinely conducting PPAP, IQC, IPQC, and FQC inspections across the supplier base. Our team also interfaced with leading third-party laboratories on a daily basis, managing material testing requirements specific to the Client's industry standards and individual SKU requirements.

To further strengthen oversight, The ABC Group layered in a dedicated US-based support function that reviewed and validated all quality control data generated in Mainland China. This domestic point of contact — engaged in daily quality activities — provided the Client with a readily accessible partner for troubleshooting, escalations, and ongoing quality performance reporting, reinforcing confidence at every level of the organization.

VALUE CREATED

By integrating seamlessly into the Client's existing quality processes and providing a dedicated domestic contact engaged in day-to-day quality performance, The ABC Group gave the Client the confidence needed to actively scale their sourcing activities in Mainland China.

Within short order, The ABC Group achieved and sustained a 98%+ PPAP success rate — and the Client routinely noted they experienced fewer quality issues from their China supply base than from their domestic suppliers. This outcome was a direct result of the depth of our integration into the Client's quality management system and the accountability structures our firm put in place from day one.

Supported by this performance, the Client moved to meaningfully scale their activity in the region, with new product development increasing 15x over the course of the eight-year engagement. Ultimately, the Client attributed this growth to The ABC Group's ability to seamlessly integrate into their business processes — and to the comfort that comes from knowing a trusted, capable partner is on the ground protecting their interests.

> *"We considered ABC to be an extension of our company. We have the highest confidence and trust in the services they provide for us."*
>
> — DIRECTOR OF GLOBAL SOURCING

98%+

PPAP success rate achieved and sustained throughout the engagement

15x

SKU growth over an eight-year partnership driven by sustained quality performance

ABC | Group
Asian Business Consultants

US HEADQUARTERS
Milwaukee, WI

GLOBAL LOCATIONS
CHINA
Guangzhou
Shanghai

INDIA
Mumbai

VIETNAM
Ho Chi Minh City

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