

Application Note

June 2006

Vol. 2006-01



C³ = Cut Cost to Core™

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Segue's China Advantage

Overview

Many times, customers compare Segue prices to those quoted

directly from a Chinese factory or broker. These prices do not include the essential and valuable services provided by Segue included in our price. If a company has not done business directly with China, they don't know about the time and effort required to do business overseas. Since time equals money, the best value is to purchase through Segue, which offers an overall lower cost solution.

Segue's focus is to pass on the value of Chinese manufacturing

Segue's Solution & Advantages

without the headaches and cost of doing business directly. While a broker or China factory may quote a price that is a few percent lower than Segue, the buyer needs to look at the extra costs involved in dealing direct.

Buyers need to consider the following when comparing prices:

Q: How do they communicate?

A: Segue speaks the language. A lot can get lost in the translation and Segue's Chinese speaking personnel in Los Angeles make sure that the communication is done right.

Q: How to partner with a qualified factory?

A: Segue's local office with its engineering and logistic staff in China knows the strengths and expertise of local manufacturing partners therefore we are able to provide the best value driven manufacturing solution.

Q: Who checks the samples before it ships to the customer?

A: First Article samples are inspected at Segue's China office by QA engineers before shipping to the U.S.

Q: FOB point?

A: Segue quotes FOB Los Angeles. We have experts in shipping, insurance, customs, and Chinese tax issues. We pay all costs involved in bringing the products into North America. Make sure that the prices quoted to our customers include all these costs.

Q: Terms?

A: Segue offers payment terms. Most Chinese factories require L/C or cash in advance.

Q: Quality?

A: How much will it cost the customer to do a quality survey or visit the factory if a problem arises? Segue's local office qualifies our factories and makes regular on-site inspections. If a problem arises, we can be at the factory the same day.

Q: Will they get product from the same factory?
customer's approval and submit first article samples before considering any other options.

A: A broker will switch orders from factory to factory to get the best price, causing inconsistent quality from shipment to shipment. Segue will get

Q: How do they find their way around China? Who will they get to translate?

A: Segue's China staff accompanies customers on factory visits, offering local support and translation. We are the experts on getting around in China and can assist our customers with their arrangements, visa permits, door-to-door transportation starting from the airport with our vehicle.

Q: Are they willing to make calls at night?

us during their working hours. We stay late to talk and video-conference with China, not the customer.

A: Due to the difference in time zones, Chinese factories are working when our customer goes home. Segue's U.S. office allows customers to call

