

Supply chain management terms and san francisco

[Business](#), [Management](#)



Questions

1. Consider the two categories of products that Timbuk2 makes and sells. For the custom messenger bag, what are the key competitive dimensions that are driving sales? Are their competitive priorities different for the new laptop bags sourced in China?

In the 2nd paragraph you can easily find 'A quick click of the mouse and the bag is delivered directly to the customer in only two days'. It is the best answer for 'what are the key competitive dimensions?'. Only need to do for customers are just clicking and wait for the bag which will be customized based on their order and design. And Timbuk2 delivers 'the special bag' to the customer within 2 days. Customized good quality and quick delivery system are the Timbuk2's key competitive dimensions. The main reason for manufacturing Tambuk2 laptop bags sourced in China is 'the cheap labor costs'. With cheaper labor cost, Tambuk2 could hire the group of hardworking craftspeople. It means factory in China for Tambuk2 can have not only cheaper labor cost but also the group of hardworking crafts people. So Tambuk2 can fulfill the customers expectation of quality bag with better price.

2. Compare the assembly line in China to that in San Francisco along the following dimensions: (1) volume or rate of production, (2) required skill of the workers, (3) level of automation, and (4) amount of raw materials and finished goods inventory. Read more about Tanglewood Case

(1) Volume or rate of production

Factory in San Francisco - Customized bags depends on the orders from

customers. Factory in San Francisco - Standardized products such as laptop bags and Accessories has stable orders. It means that factory in China has bigger rate of production.

(2) Required skill of the workers

Factory in San Francisco - A small group with much experience and skills needed for producing the customized bags. Factory in China - A large group members with low skills needed for producing the standardized bags.

(3) Level of automation

Factory in San Francisco - Customized bags which is made by skillful employees are required less automation level. Factory in China - Laptop bags of Tambuk2 are standardized products from China. It means they don't need much skillful employees, but they need more machines for mass production.

(4) Amount of raw materials and finished goods inventory

Large amount of raw materials and finished goods inventory has to be maintained as customers can choose from any color, straps, pockets etc while ordering the products. Low stock of raw materials is required as all the materials can be sourced within an hour drive of the factory

3. Draw two diagrams, one depicting the supply chain for those products sources in China and the other depicting the bags produced in San Francisco. Show all the major steps, including raw material, manufacturing, finished goods, distribution inventory, and transportation. Other than manufacturing cost, what other costs should Timbuk2 consider when making the sourcing decision?

Factory in San Francisco

Factory in China

Other

Costs

- Costs related to a wide range of risks & Insurance
- Quality checking costs
- Resolving cultural and communications issues
- Marketing costs
- Sales commission and sales sala
- Shipping & Distribution costs