

Core Distribution Inc.

Case Study

Core
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Inc.

Core Distribution Inc. uses EAC's Extensioneering™ Services to get products to market 50% faster.

Business Initiatives

Core Distribution Inc. (CORE) is a product designer, global manufacturer and supplier dedicated to bringing safe and innovative products to consumers world wide. CORE's products are designed to generate revenue, grow market share, and increase return on investment for their client retail partners. CORE remains a pioneer in the industry by encompassing strategy, design, manufacturing, and distribution.

CORE aggressively protects its proprietary information with patents and trademarks. To date they have 47 patents for climbing products. This approach preserves the market for their client partners and maintains retail margins. They have worked with companies such as Target, Lowe's, and Wal-Mart to bring products to market.

Business Challenges

Products we see on the shelves at the store don't just appear overnight. In fact, products often begin as a napkin sketch and evolve into a detailed CAD model, and in the process, they are modified & enhanced. This is a necessary process in product development. Typically these changes are made due to essential engineering issues like strength or material limitations.

CORE's business model has never focused on building or maintaining an internal engineering team. Historically, they would work with overseas factories to design and manufacture products. They would send the original concept to the manufacturer and when engineering related changes were necessary, the manufacturer would make the change directly to the model.

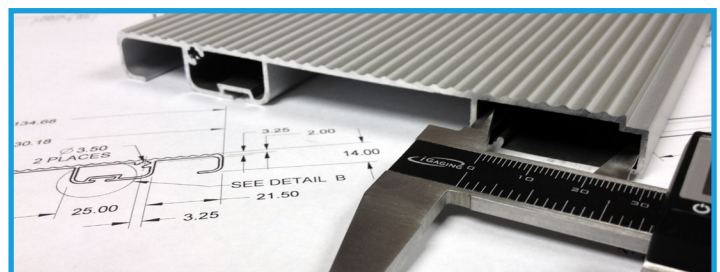
This process caused two business challenges for CORE. First, the manufactures were making changes to the product without tracking or recording it and in some cases would not notify CORE of the change. If the change was unsatisfactory to CORE's expectations, CORE would need to go back to the manufacturer and work with them to find an acceptable solution. The constant volley back and forth between the manufacturer and CORE made it difficult to accurately budget and forecast deadlines for their projects.

The second issue was not having the physical CAD drawings of their proprietary information, the manufacturer did. The ability to choose or change the manufacturer is one way that an organization can keep costs down while staying competitive in the industry. In the past, CORE was obligated to work with the manufacturer that produced the initial model since CORE did not control the engineering files and data.

Solutions

EAC's Extensioneering™ Services

CORE had two choices when trying to improve overall communication with their overseas manufacturers and resolving the absence of working CAD drawings. The first option would be to hire a staff of in-house engineers; the second option would be to find a resource that could handle the high-end engineering required to satisfy the



Slimline Ladzder Step & CAD Drawing
Engineered by EAC's Extensioneering™ Group

the needs of the organization. CORE opted to find a trusted partner to act as a liaison between CORE and the factories overseas, and also as a resource to fulfill their engineering needs. Chief Executive Officer, Mitchell Kieffer, enlisted EAC's Extensioneering™ Services to be an extension of their team. EAC's Extensioneering™ Services provides engineering services, project management, and product testing. For the last several years, Kieffer has been working with EAC's Extensioneering™ Services to successfully get products to market faster.

“Our clients rely on us for the technology and engineering guidance while we take care of their best interests.”

-Allen Caldwell, EAC's Extensioneering Group

“EAC is a consistent and reliable resource. They really know our products. They don't have to look up, or try to decipher past projects – they just know our products and other engineering service providers would not have that personal touch.” Says Kieffer.

Allen Caldwell, EAC's Extensioneering™ Manager, says “Our clients rely on us for the technology and engineering guidance while we take care of their best interests.” At CORE, the decision making process for engineering related changes was difficult and very time consuming. When CORE was working directly with the manufacturer some decisions would require flights back and forth to China, as well as countless hours on the phone. With EAC's Extensioneering™ Services engaged, it is a 20-30 minute phone call with Caldwell. Overall Communication with the overseas manufacturers has improved significantly. “I now have an expert engineer making the engineering related decisions,” says Kieffer.

Since engaging EAC, CORE has working CAD drawings for their products. Kieffer notes; “I'm not an engineer, so to me personally, the CAD drawings are irrelevant. However, I find great value in EAC having the drawings. The process is much more refined and we have more control over the outcome.” Working CAD drawings also allows CORE to seek quotes from multiple manufacturers. This helps CORE increase margins while maintaining a competitive advantage.



Slimline Ladder
Core Distribution Inc.

Project Feature: Slimline Ladder

CORE wanted to develop a stepladder that was strong, easy to use, designed for constant use, and exceedingly compact for storage. They had the idea for this ladder long before they actually had the right client for it. Kieffer worked with EAC's Extensioneering™ Services to engineer the ladder two years before it was produced giving them plenty of time to thoroughly collaborate and engineer a world-class product while finalizing downstream logistics.

“EAC is a consistent and reliable resource. They really know our products.”

-Mitchell Kieffer, Core Distribution Inc.

When CORE found the right client for the Slimline Project, EAC was able to work quickly with the factories overseas to produce the ladder. This method resulted in very few changes throughout the manufacturing process. Had CORE not engineered the product with EAC, it could have taken two years [or longer] to design and produce directly with the manufacturer in China.

The Slimline Ladder started as a napkin sketch, like so many ideas do, and has now evolved into a manufacturable and sellable product. By partnering with EAC's Extensioneering™ Services, CORE was able to get the Slimline Ladder to market exponentially faster.



Special thanks to Mitchell Kieffer and Core Distribution Inc. for their input and cooperation while developing this report.