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<input type="checkbox"/>	Doctor's thesis

Subject	Logistics	Date	29.6.2008
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		Number of pages	80
Title	Intercontinental supply chain design for low-volume innovative products		
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Abstract

During the last few decades, supply chain management has received even greater value as a business area, where most companies are able to improve their profitability and competitive edge. As the world is moving into the direction of globalization, a need of being able to manage intra-company supply chains all the way to other continents is emerging.

A case study about three supply chain configuration alternatives of a consumer electronics manufacturer was made in this thesis. The starting point of these supply chains was a Case Company factory located in Northern Europe and as the ending point was the target market, which is located on another continent. In the research questions it was asked, how the uncertainty of customer demand and different levels of forecasting affect to supply chain performance and efficiency. Another main thing to consider was why the uncertainty is affecting the supply chains. In addition to these issues, the thesis concentrated on finding the most suitable supply chain alternative for the Case Company to speed up the deliveries and reduce costs.

The research was conducted as a qualitative study, and the main method of information gathering was interviews. In addition to the interviews, research evidence was gathered from data files received from the Case Company and reports from Case Company information systems.

In the empirical part of the study, three different Case Company supply chains were compared with each other. The main results were that the fastest and most cost-efficient of them was the one with the leanest structure. However, in this supply chain alternative the manufacturing is performed far away from the target market, which creates its own risks. The supply chain alternative, which also had a distribution centre in its design was proved to be the slowest, when operated through unforecasted demand.

At the end of the day, the results give a clear message how the demand uncertainty increases the response times of a supply chain. The more complex a supply chain is, the longer are the lead-times and costs related to it.

Key words	Intercontinental, supply chain, supply chain analysis, case-study, innovative
Further information	