

Manufacturing in Asia: challenges and benefits in 2019

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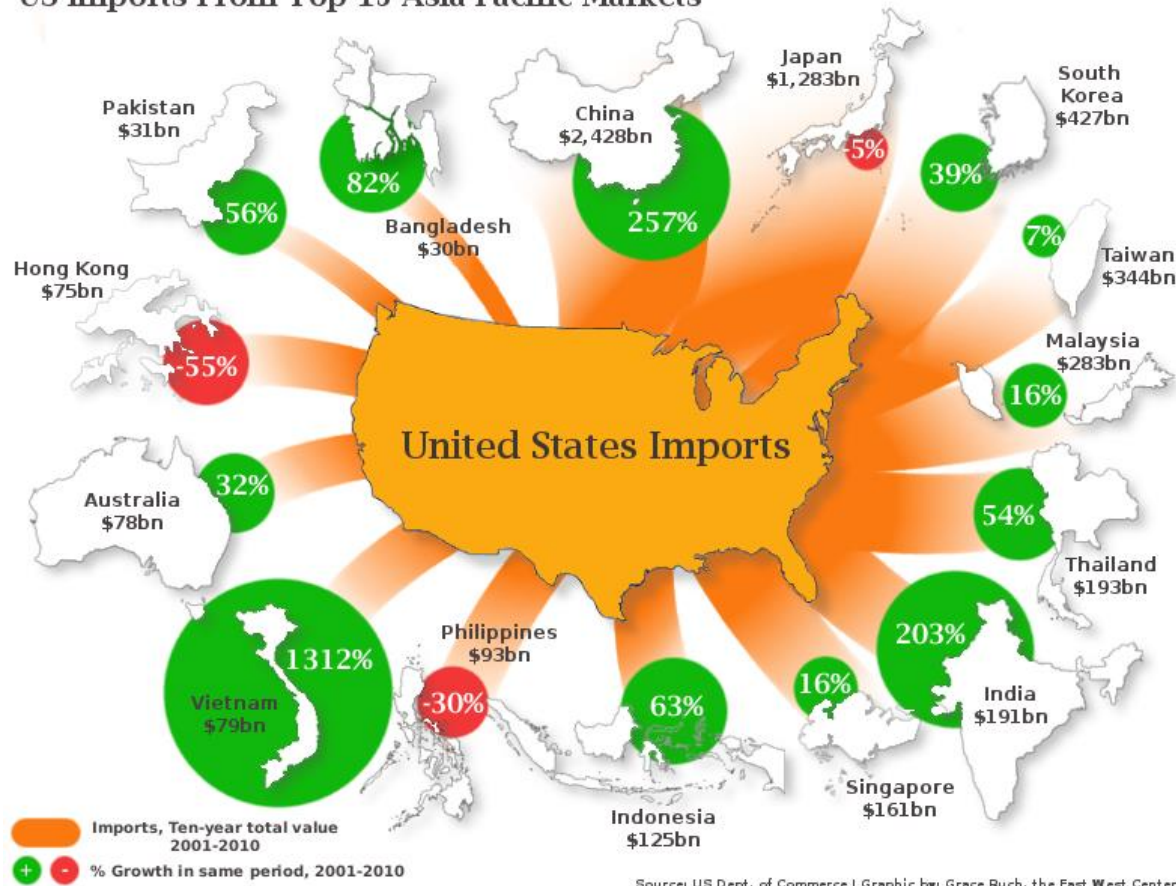
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A. Facts and figures of US imports from Asia

US Imports From Top-15 Asia-Pacific Markets



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B. Challenges of manufacturing in Asia

- Managing the consistency of Quality Standards
- Managing Social and Environmental Responsibility
- Far, far away
- Copy-cats
- Business Culture Difference
- Language Barrier
- Time Difference



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B. Challenges of manufacturing in Asia



Are your factories audited?

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B. Challenges of manufacturing in Asia



Source: LILLY and Associates International



Source: Chinalytics

Logistics can be a different concept.

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B. Challenges of manufacturing in Asia



Source: Awesomelntentions.com

Copyright infringement is a daily battle

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B. Challenges of manufacturing in Asia



Lacoste learned the hard way that your brand should be copyright protected in China too!

Source: Augusta



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C. Benefits of manufacturing in Asia

- Cost Savings
- Large Production Capacities
- Manufacturing Know-how
- Flexibility
- Innovation



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C. Benefits of manufacturing in Asia



SOURCE: China Mike

Mega factories in Asia provide unparalleled production capacities

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C. Benefits of manufacturing in Asia



iPhones are
manufactured in
Foxconn factories in
South China

SOURCE: The Guardian

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C. Benefits of manufacturing in Asia



Flexibility made in
Asia

SOURCE: Pinterest

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C. Benefits of manufacturing in Asia

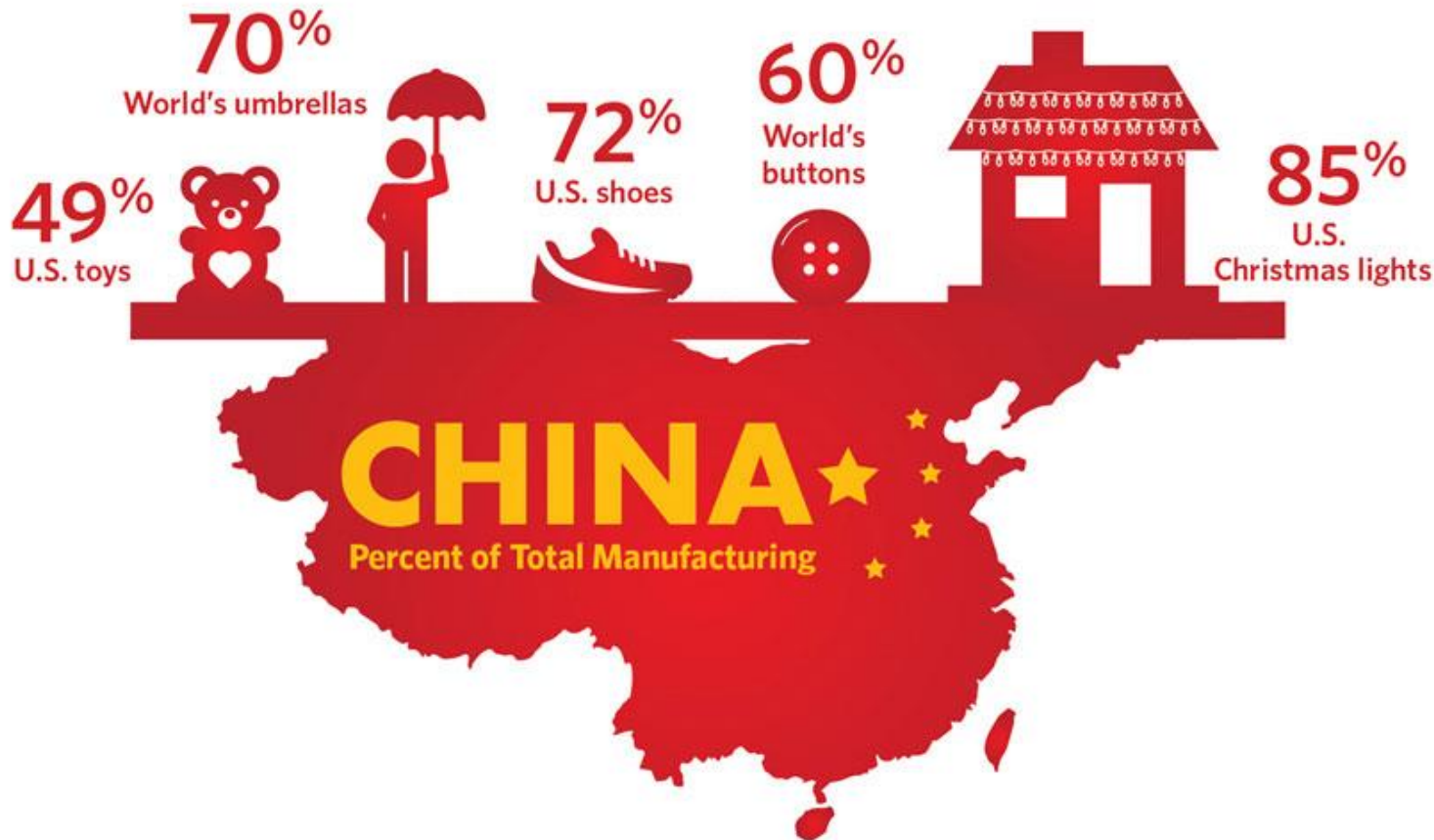


China is the global leader in Solar Energy research

SOURCE: www.smithsonianmag.com

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D. Manufacturing in Asia: the situation in China

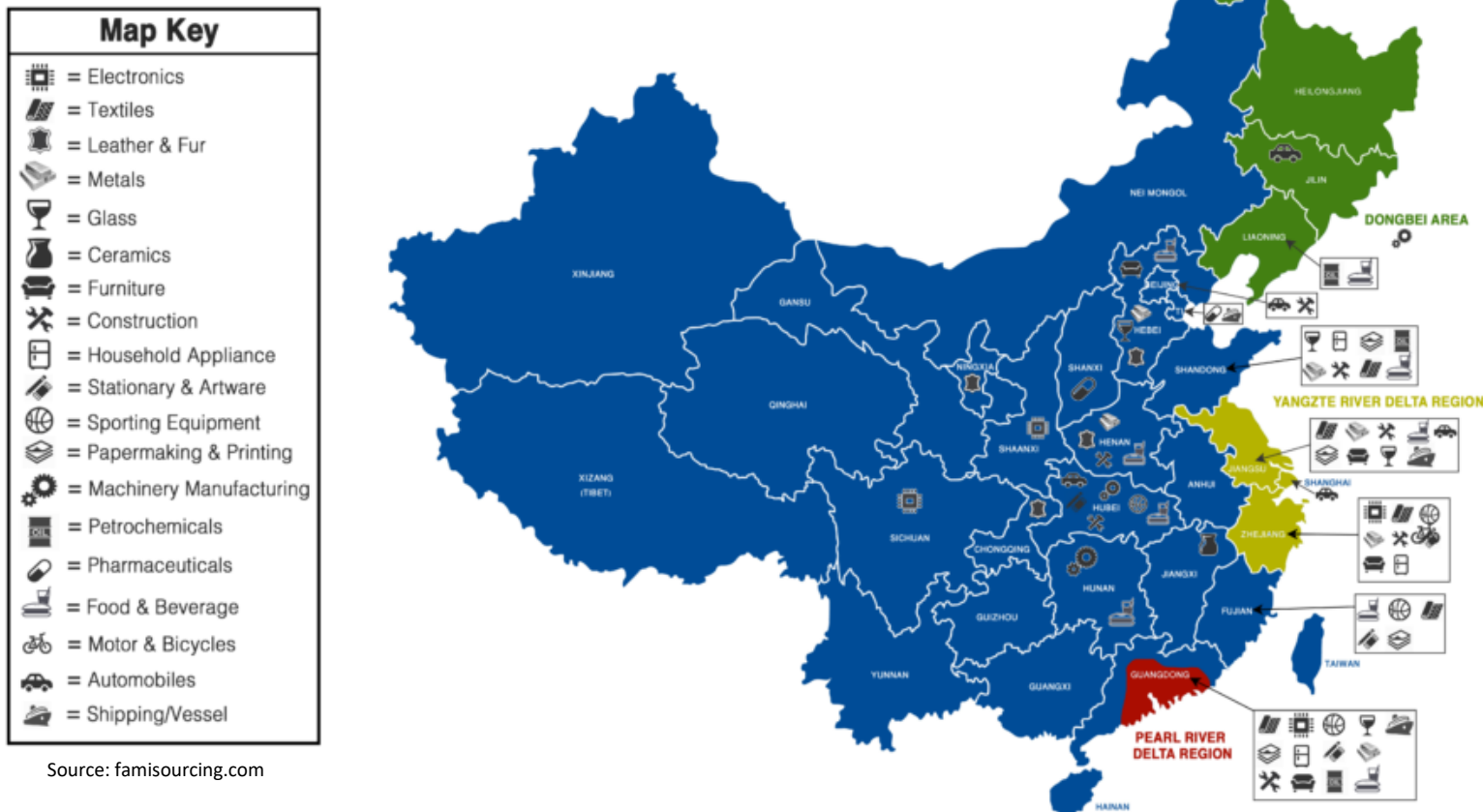


Source: East West Bank

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D. Manufacturing in Asia: the situation in China

Manufacturing regions in China by industry



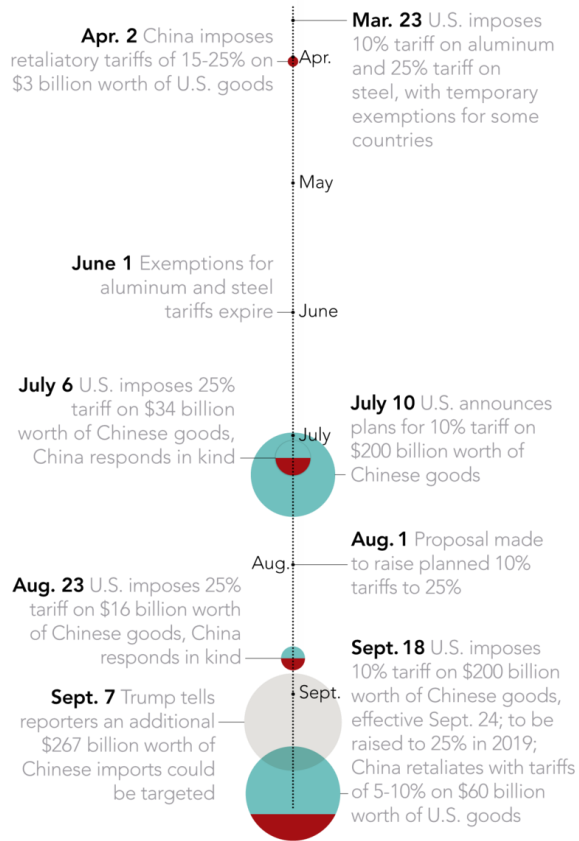
Source: famisourcing.com

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D. Manufacturing in Asia: the situation in China

Tit for tat: U.S.-China tariffs so far

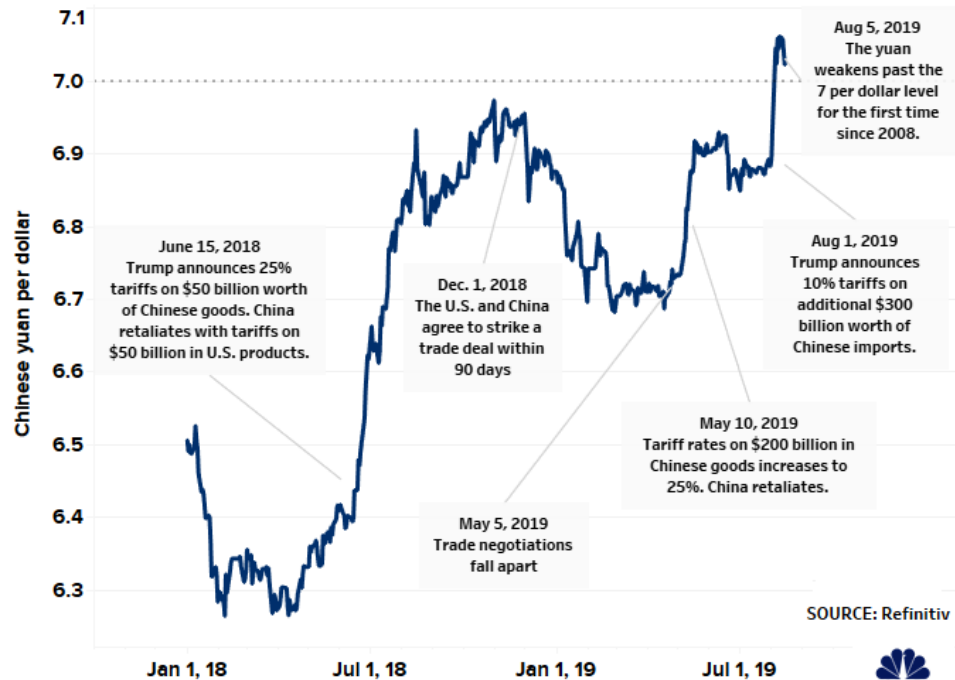
● U.S. ● China



Source: Media reports

U.S.-China trade war currency impact

Onshore exchange rate, Chinese yuan vs U.S. dollar



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D. Manufacturing in Asia: the situation in China

Actions being taken by Chinese Government to mitigate the trade war:

- ✓ Decrease of VAT from 17% to 13% increase domestic consumption
- ✓ Decrease of Income Taxation to lower Labor Costs
- ✓ Decrease of Corporate Income Tax to boost Enterprises
- ✓ Control of Exchange Rate RMB – USD to support Exports
- ✓ Extension of Free Trade Zones
- ✓ Extension of tax write-offs for R&D and Eco-Friendly Materials

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E. Manufacturing in Asia: alternatives in South Est Asia

- ✓ Value Added Production in Myanmar,
- ✓ Packaging Industry in Malaysia,
- ✓ Wood Industry in Indonesia,
- ✓ Plastic Industry in Thailand,
- ✓ Textile Industry in Vietnam, etc.



Source: Wikivoyage

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F. Solutions

aeptis SIS helps you leverage the biggest manufacturing area in the world by optimizing the supply chain of your packaging and marketing materials in an Eco-friendly and socially responsible manner while decreasing your costs!

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