

## SPECIFYING CNC MACHINING

YOUR GUIDE TO CHANGING SUPPLIERS



## **CONTENTS**

WHAT YOU CAN EXPECT FROM THIS GUIDE	3
PART ONE: EIGHT REASONS TO REVIEW YOUR CNC MACHINING PROCUREMENT	4
PART TWO: HOW TO FIND YOUR NEW CNC MACHINING SUPPLIER	8
PART THREE: WHAT TO LOOK FOR IN YOUR NEW CNC MACHINING SUPPLIER	_ 14
PART FOUR: CHECKLISTS	20
PART FIVE: GET PENTA INVOLVED	22



# WHAT YOU CAN EXPECT FROM THIS GUIDE

If you're unhappy with your CNC machining supplier, you don't need anyone to tell you it's time to look at other options.

This guide will help you to:

- Examine your relationship with your supplier(s) in more detail
- Evaluate your options
- Determine the best course of action.

You will find helpful information about:

- What to look for in your new CNC machining suppliers
- Methods of sourcing new suppliers
- The importance of communication in your supplier relationship.

At the end of the guide, you will find a series of checklists to help you in your new supplier evaluation process.



# 1. INCONSISTENT PRODUCT QUALITY

This is a major red flag for anyone procuring CNC machining. The problem is often first noticed at the final assembly of equipment, where errors in geometric tolerances result in components not fitting together correctly.

## 2. NOT MEETING DELIVERY SCHEDULES

Issues with late deliveries often occur alongside quality problems. If so, the supplier might be in serious trouble: they're skimping on quality but it's not saving enough time and they're still late.

## 3. YOUR SUPPLIER HAS THE WRONG SKILL SET

If your components have become more complex, or they need machining to finer tolerances, more refined technical skills are needed. Changing materials can also expose skills gaps, especially if you're choosing to use plastic. Sometimes quality issues or late deliveries are because your supplier is struggling to cope with the increased technical demands.

## 4. YOUR SUPPLIER CANNOT MEET THE LEAD TIME

If you need to scale up your production, but your supplier doesn't have the flexibility to scale up with you, you need a solution: either an additional supplier, or a new one who is better able to cope with demand. But if you're replacing a trusted supplier with an unknown quantity, you will need some reassurance of their capabilities. Find our more in parts two and three of this quide.

## 5. YOUR SUPPLIER HAS BECOME EXPENSIVE

Maybe they're struggling with overheads and are passing those costs on to you. Or they're being undercut by keener quotes from competitors. Material costs are subject to fluctuations across the industry, but another reason for a sudden price hike is because a supplier underquoted initially, and now they need to reflect the true cost.

## 6. CEASED TRADING

One minute they're supplying you, the next, they've turned out the lights and walked away. Recent challenging trading conditions have meant many suppliers have suddenly gone bust, leaving you, and their employees, in the lurch.

## 7. YOU'RE A NEW BUYER WORKING WITH OLD SUPPLIERS

If you're new in position, you may want to test existing suppliers to see what extras might be available. It's a good opportunity to reset the relationship, reaffirm or enhance quality, and see if any savings are possible.

## 8. MANDATORY TENDER PROCESS

If the contract renewal date is coming up, this is the time to address any lingering concerns. If you've had problems with a supplier for a while, it's definitely time to have a look around and see whether you can resolve those issues and save money.

Are any of these scenarios familiar?

If so, it's probably time to look for a new machined component supplier.

But how will you find someone who will bring the quality and reliability that you need?

Read on...





# FINDING YOUR NEW SUPPLIER

You've taken the decision: you're going to find a new CNC machining supplier, or replace an existing supplier.

You're looking for someone new, fresh, keen and hungry – a determined player who is out to impress you, and deliver superior quality at the right price.

Not too much to ask, is it?

# STEP 1: WHO DO WE KNOW ALREADY?

The first move is often to consult with purchasing colleagues. Who do they know who is up to the challenge?

In larger organisations there will be an 'approved supplier list' – companies who may have been used before, or at least been vetted.

The trouble is, they may not be able to solve the problems you need them to.

By only looking within the organisation, you're at risk of missing the real gems. Broaden your search by asking other trusted suppliers. This can unearth some diamonds, but only if the companies you ask don't compete with the suppliers you seek.

Good recommendations from experts are worth their weight in platinum. Group politics and vested interests are unlikely to rear their heads if you have a long and trusted relationship with the people you're asking.

But it would be naive to discount these risks completely. And you're limited by the strength of your contacts' networks. You may still miss the gems.

#### STEP 2: LET'S GET READY TO GOOGLE

Search engines are the obvious next step.

Algorithm updates mean that search engines are continually bettering how they serve up webpages to answer their users' queries.

But you could still miss a supplier that isn't as good at feeding the search engines as they are at machining aluminium, stainless steel and challenging plastics to precise tolerances. Google is great at finding web pages about a given topic – but it's less good at telling you whether that supplier will be a good fit for your procurement strategy.

It's worth digging deep. Go beyond page one of Google, and review your hit list's websites for detailed testimonials and compelling case studies.

#### STEP 3: USE LINKEDIN EFFECTIVELY

Searching Google is not enough, you should also cross reference your contenders with Linkedln.

As well as checking out the company's main LinkedIn page, it's also worthwhile reviewing their key players' personal profiles. You're looking for digital authority that reflects real-world expertise.

#### Consider:

- Their skills and endorsements
- Their recommendations (and the authority of the people recommending them)

- Information they have shared or curated
- Questions they have answered.

But again, don't rule out smaller contenders simply because their LinkedIn profiles and pages are not as slick as their corporate counterparts. It's just another indicator, not an absolute filter.

## STEP 4: DON'T FORGET TRADE ASSOCIATIONS

Trade organisations and industry directories are other sources explored by procurement professionals. You could investigate:

- British Turned Parts Manufacturers Association (BTMA)
- Gauge and Toolmakers Association (GTMA).

Or you could look at the many online directories available.

But inclusion in a list of suppliers – even a vetted list – is not a guarantee that they will be able to deliver the quality, consistency and value you need. It's just another indicator.

Combine the four sources and you will have a good picture of who is out there, and who seems to tick the right boxes. They're the ones to make contact with and investigate further.

So, what should you look out for in a new machined components supplier?

In the next section, we have identified the seven most important things to consider when compiling your list.



# WHAT TO LOOK FOR IN YOUR NEW CNC MACHINING SUPPLIER

## 1 PRICE ISN'T EVERYTHING

You could just send out RFQs to everyone on your list, but if you don't narrow it down first, it's lazy. You're not going to find out whether the suppliers have any worth if you're just looking at price.

Yes, budgets are always under pressure, but do you really want to just go for the cheapest?

They probably won't offer the quality and service you need.

But choosing the most expensive doesn't guarantee it either.

You need to look deeper.

#### 2 LOOK FOR INDICATIONS OF ESTABLISHED PROCESSES

Established internal processes and procedures are a strong indicator of a mature company who will provide a consistent and quality experience.

And consistency is important because it saves time.

You know who to contact. You know when they will contact you. You can expect the sorts of questions they will ask.

You will know any purchasing procedures. You will know how your components will arrive, how they will be packed, and when they will arrive.

You don't need to think, you don't need to chase. You don't need to stress. And there are no surprises.

### 3. CONSIDER CERTIFICATIONS

ISO 9001 is the essential certification. Rule out any company that fails to offer the required documented processes and traceability. If a supplier isn't certified to this near-ubiquitous quality standard then forget them – they do not merit serious consideration.

There are other industry specific certifications, but they aren't necessarily required. Even a machining company with a strong specialism in a particular sector will have clients in other sectors too. So while they may not have your industry certification, they have probably satisfied other equally stringent certification criteria.

Certification	Considerations
ISO 9001	Cross-industry, the essential certification
ISO 13485	A standard for medical OEMs, relatively uncommon amongst machining companies
AS 9100	Aerospace quality certification with strong criteria for First Article Inspection
TS 16494	Automotive quality certification

## 4. APPOINT A ONE-STOP SHOP

A component usually goes through multiple stages before it reaches its final use. Sourcing material. Machining. Applying coatings or any other finishing processes. Inspection. Incorporation into a larger assembly.

Some buyers arrange every stage of this separately. Others will outsource some of these tasks together, and manage others themselves.

Either way, it's a lot of hands-on management time that could be avoided by choosing a machining supplier who will manage all this for you.

If you're short on time, considering a one-stop shop for your machined components is a great way of reducing your workload.

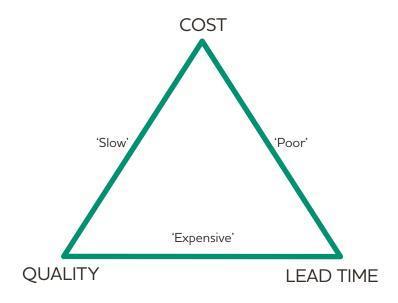
## 5. KNOW WHERE YOU CAN COMPROMISE

cost, quality and lead time. Generally, it's not possible to achieve all three.

- A service providing good quality at a good cost will be 'slow'
- A shorter lead time at a good cost means you're skimping on quality
- And for decent quality and a short lead time you will be paying over the odds.

When asking buyers what is most important to them, it's usually So it's worth knowing where you can compromise when looking for a supplier. If you're serious about quality, having the foresight to order ahead of time is important. Then the supplier can schedule your work in advance, and it simply arrives when you need it to.

> If that isn't possible, for most buyers, a good quality component, at a good price, on a mid-long term lead time is the compromise they're most willing to accept.



### 6. FIND AN EXPERIENCED ESTIMATOR

In this industry, customers seem to be resigned to accepting a poor quality experience from their machined component supplier. A quote back with just a few words. No consideration to any complex areas of a design. No discussion over detail. No thought to material choices. Just the price.

If it's a repeat order, that may be all you need. But for a new component, you should demand your supplier takes more care.

You need an estimator or account manager who will take the time to think about materials, understand how the component

fits within a larger assembly, and troubleshoot any areas of the design that could cause challenges during the machining process.

This helps to avoid unexpected costs and delays.

They could even look into ways to make a design simpler to machine, and therefore cheaper.

Finding an experienced estimator can really make a difference to the smooth running of your project.

## 7 CHOOSE AN ACCOUNT MANAGER YOU TRUST

Unfortunately, there can be unforeseen hurdles, and this is where an open and honest relationship with your account manager comes into its own.

If a company has the processes in place, they'll see any issues ahead of time and be able to tell you in advance.

With enough notice, delays are much more easily managed.

And when you have a good relationship with an account manager that you trust, you know that they will be fighting your corner within their organisation to ensure everything is back on track as soon as possible.

This is why a reliable, trustworthy account manager who cares is one of the most important things when looking for a provider of your machined components.

### 8. FIND A COMPANY THAT PRIORITISES COMMUNICATION

Communication is crucial for success. When searching for a new supplier you want an organisation that prioritises honest and open communication at every level. When all employees are empowered to speak out, errors are reduced, collaboration is strong and ideas flourish.

Customers benefit from a highly functioning organisation that makes minimal mistakes, and any issues are addressed and can be learned from.

You also want to see a company that prioritises open and honest communication with its customers.

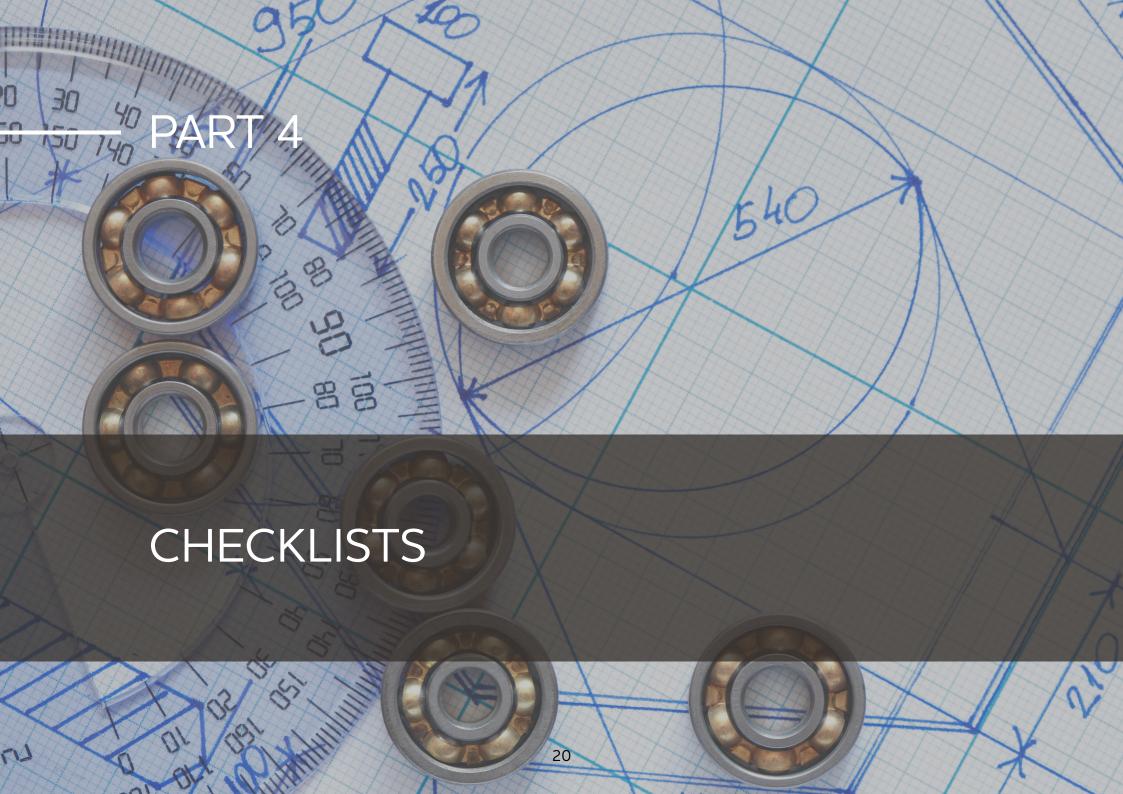
Choosing a supplier that will communicate proactively, keeping you in the loop throughout the process is not only reassuring, it avoids unexpected issues and builds trust.

And if you have built your relationship on a strong communicative base, you'll know that if any 'hard' conversations have to be had, there will be no politics, no hidden agendas – just open and effective resolution.

By mutually prioritising communication, you can benefit from a supremely effective partnership with your supplier.

So what next? When reviewing your list of potential machined components suppliers, bear these eight important points in mind. It will help you choose a supplier you can rely on for a sustained and successful partnership.

In the next section we've supplied a checkbox list that you can keep handy to help you manage your process when changing supplier.



## **CHECKLISTS**

#### TIME TO MAKE A CHANGE?

PRODUCT QUALITY IS INCONSISTENT	/
YOUR SUPPLIER IS NOT MEETING DELIVERY SCHEDULES	
YOUR SUPPLIER HAS THE WRONG SKILL SET	
YOUR SUPPLIER CANNOT MEET THE LEAD TIME	/
YOUR SUPPLIER HAS BECOME EXPENSIVE	/
YOUR SUPPLIER HAS CEASED TRADING	/
YOU'RE A NEW BUYER WORKING WITH OLD SUPPLIERS	/
IT'S A MANDATORY TENDER PROCESS	/

### HOW TO FIND A NEW SUPPLIER

WITHIN YOUR ORGANISATION – COLLEAGUES	<b>/</b>
WITHIN YOUR ORGANISATION – THE APPROVED SUPPLIER LIST	<b>/</b>
WITHIN YOUR NETWORKS – ASK TRUSTED SUPPLIERS	<b>/</b>
INDUSTRY EXPERTS	
USE GOOGLE – LOOK FOR CASE STUDIES & TESTIMONIALS	
REVIEW LINKEDIN FOR EVIDENCE OF TECHNICAL EXPERTISE	/
INDUSTRY ASSOCIATIONS	/

#### WHAT TO LOOK FOR IN A NEW SUPPLIER

A GOOD PRICE (BUT PROBABLY NOT THE CHEAPEST)	
INDICATIONS OF ESTABLISHED INTERNAL PROCESSES	
ISO 9001 (AT LEAST)	
A ONE-STOP SHOP	
WHERE THE COMPROMISE IS ON COST, LEAD TIME AND QUALITY	/
AN EXPERIENCED ESTIMATOR	
AN ACCOUNT MANAGER YOU TRUST	
A COMPANY THAT PRIORITISES COMMUNICATION	/



Penta Precision is the engineering company with a difference.

Our estimators are all time-served machinists who will alert you to potential design or engineering issues before they become costly, time-consuming and stressful.

We provide a complete service, from material sourcing through to machining, finishing and assembly.

And for peace of mind, Penta is ISO 9001:2015 accredited and has a dedicated, internal inspection department.

But it is our focus on the customer experience that really sets us apart.

Well-established internal processes, followed by a team who truly cares means that every customer receives a consistently high level of service.

Contact Penta to find out how we can make a difference to the way you purchase machined components.

Trust Penta to maintain quality and consistency through proven and validated processes.

We communicate well.

We take care at each stage.

Our service is consistent.



Telephone: 023 9266 8334

Email: sales@pentaprecision.co.uk

Website: pentaprecision.co.uk

