

# Manufacturing Companies Business Model

<p><b>Key Partners</b></p> <ul style="list-style-type: none"> <li>Raw Materials Suppliers</li> <li>Subcontractors</li> <li>Machinery Suppliers</li> <li>Trade / QA</li> <li>Customers as Key Partners</li> <li>Government Bodies</li> <li>Consultants</li> <li>Certification Bodies</li> <li>Tiered Manufacturing Partners</li> <li>Leasing agencies</li> <li>HR agencies</li> <li>Technology partners</li> <li>Industrial Estate partners</li> <li>Logistics</li> <li>Intellectual Property and Patents consultants</li> </ul>	<p><b>Key Activities</b></p> <ul style="list-style-type: none"> <li>Production at scale</li> <li>Customisation of products</li> <li>Designing and prototyping of products / CAD Prototyping</li> <li>Delivering at or above quality thresholds</li> <li>Quotations</li> <li>Soak testing</li> <li>Stock control</li> </ul>	<p><b>Value Propositions</b></p> <ul style="list-style-type: none"> <li>Manufacturing to exact requirements</li> <li>Being a reliable piece in a larger production model</li> <li>Delivering at timescales and to quantity</li> <li>Understanding industry standards</li> <li>Understanding material behaviours</li> <li>Knowing the market and being able to flex to new or changing demands within the sector</li> <li>Being a strong employer; i.e. working within the boundaries of Union stipulations.</li> <li>Understanding new technology</li> <li>Delivering enhancements, efficiencies, and optimisations to current processes (incl. rapid prototyping)</li> </ul>	<p><b>Customer Relationships</b></p> <ul style="list-style-type: none"> <li>Long-term relationships with manufacturers further up the supply chain.</li> <li>Some transactional relationships, maybe alongside a broad spread of long-term company interactions.</li> <li>Sub-contractor relationships. Rating of suppliers on performance delivery and quality.</li> </ul>	<p><b>Customer Segments</b></p> <ul style="list-style-type: none"> <li>Construction</li> <li>Retailers</li> <li>Tier 1 manufacturers</li> <li>Government bodies</li> <li>Installers</li> <li>Direct to consumer</li> <li>Specialist manufacturers</li> <li>Distributors</li> <li>B2B Procurement departments</li> </ul>
<p><b>Cost Structure</b></p> <ul style="list-style-type: none"> <li>Fixed costs: Everything at the manufacturing premises is a fixed cost (machinery, labour, estate, admin)</li> <li>Variable costs: Market cost of materials, Logistics, Marketing</li> <li>Macroeconomic unpredictable costs</li> </ul>	<p><b>Revenue Streams</b></p> <ul style="list-style-type: none"> <li>Long-term contracts</li> <li>Drop-shipping</li> <li>Spreading the risk with a diverse client base</li> <li>Partnership Engagements</li> <li>Ad-hoc manufacturing capability rentals</li> </ul>			

**Key Resources**

- Production lines / machinery
- Workforce
- Physical Space
- Scheduling tools
- Warehouse tools
- Logistics tools
- HR
- Finance tools

**Channels**

- Digital platforms e.g. website
- Through order gateways, marketplaces
- In person at events (trade shows), though this is smaller than it used to be.
- Semi-automated services, phone ordering or email.
- Marketing, circulating brochures, account management.
- Large retail operations