



## AJ Contract Manufacturing

AJ Manufacturing has recently opened the door on another avenue in which we may better serve our customers: Contract Manufacturing. In an effort to leverage our 40+ years using pressure injected polyurethane foam, AJ is actively exploring foamed products similar to our core competency: HVAC Access Doors & Wall Panels.

Why would you want to partner with AJ Manufacturing in a contract manufacturing arrangement?

1. **Opportunity Cost** - The notion of opportunity cost plays a crucial part in ensuring that scarce resources are used efficiently. Would the decision to do nothing produce massive bottlenecks to growth?
2. **Catalyst for Growth** - An organization can use an outsourcing agreement as a catalyst for aggressive growth that cannot be achieved alone.
3. **Capacity Management** - An improved method of capacity management of services and technology where the risk in providing the excess capacity is borne by the supplier.
4. **Focus on Core Business / Focus on High Margin Segments** — Resources are focused on developing the core business and/or segments within the core business that generate the highest margins.
5. **Reduce Time to Market** — The acceleration of the development or production of a product through the additional capability brought by the supplier.
6. **Risk Management** - An approach to risk management for some types of risks is to partner with an outsourcer who is better able to provide the mitigation.
7. **Improve Quality Control** — Achieve a steep change in quality through contracting out the service with a new service level agreement.
8. **Enhance Capacity for Innovation** — Companies increasingly use external knowledge service providers to supplement limited in-house capacity for product innovation.