THE NEW COMPETITIVE FACE OF SHELTER SERVICES IN MEXICO

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SHELTER OPERATORS

› Shelter Operators **partner** with manufacturers in **diverse** industries to leverage the cost advantages of Mexico while reducing risk.

› By combining a unique business **model** with a strategic **location**, Shelter operators allow their clients to continue to prosper in today’s manufacturing reality.
What we Do

A Shelter Operator should be able to **address**:  
› 3 basic costs – Labor, Supply chain and Overhead  
› the process of locating, starting and managing an offshore operation  
› non-production issues that divert efforts away from what the company does best – **produce parts**.
Shelter services reduce overhead costs via:

1. Economy of Scale
2. Expertise
3. Ability to Focus on production
A unique business model for international operations:

1. Quick and easy startup in Mexico
2. Advise, recruit and manage labor and benefit costs
3. Reduce and control overhead costs by leveraging scale
4. A planned and controlled manufacturing environment
5. Minimize risk
6. Reduce supply chain costs
QUICK AND EASY START UP

Shelters provide our clients with:

1. Coordination of client’s move to Mexico
2. Find or provide a dedicated, Mexican manufacturing facility
3. A Mexican corporate entity
CONTROL RESOURCES AND BENEFIT COSTS

One company payroll and a controlled manufacturing environment provide our clients with effective control of labor costs and benefits.
SERVICE QUALITY AND COST SUSTAINABILITY

Metrics
- Measured in real time in each core area
- Benchmarking ensures price and quality competitiveness
- Custom analytic reports
- Metric-driven continuous improvement built into each department’s culture

Technology
- Case manager tracks and resolves all client issues
- SAP system for finance and electronic invoicing
- Multi-location HR/payroll system
- Custom import/export portal speeds transactions and reduces paperwork

Delivery System
- Tested model used by over 80% of Fortune 500 companies
- Skill sets aligned to work types controls costs, eliminates redundancies
- SLAs guarantee on-time and accurate delivery
MINIMIZE RISK

A good shelter program will minimize client’s risk

1. International contract governed by known legal principals
2. Mexico regulatory compliance is Shelter's responsibility
Shelter programs can provide:

- International Certifications: CTPAT & NEEC Certification
- Cooperative programs with local educational institutions
- 24/7 security / Medical Facility / Facilities Management
- Workforce housing
The region is served by a diverse base of qualified suppliers

- Wire manufacturers and distributors
- Plastic injection molding
- Insert molding
- Machining
- Electronics
- Industrial coatings
  - Powder paint, wet & epoxy paint
- Metal casting
- Metal stamping
- Metal Fabrication
- Sheet metal cold roll
- Tin and chrome plating
START-UP SERVICES

The up and running Shelter

- Turns over complete management and legal control after “soft-landing” or set-up
- Short to medium-term contract
- Assists in site selection, logistic, legal requirements, facilities licensing and perhaps initial selection of key Mexican personnel
- Non-site specific - Zero strategy and minimal

Cost Savings Benefits Minimal
OFFSITE MANAGEMENT SERVICES

*Continuous Support Shelter*

- Assists in the initial start-up
- Provides a facility, under lease
- Offers administrative and management: Human Resources, Payroll, Accounting services, Facilities management, logistics, procurement
- Shelter office nearby, cross town or hundreds of miles away

*Decentralized functions: unable to optimally leverage economies of scale*
ONSITE SHARED SERVICES

Full-Service Manufacturing Campus

- Handles support while clients maintain corporate identity and control the manufacturing process
- Several clients in a single industrial park, owned by shelter – flexibility of industrial space
- Start-up fast and affordable but still tailored for individual client
- Clients share costs: freight, security, administration and maintenance

Centralized functions: unable to optimally leverage economies of scale
SNAPSHOT OF ENTRADA’S CURRENT CLIENTS

Profile
• OEM’s, tier one and tier two suppliers
• Individual companies employ 19 to 700 workers
• Full-service campus employs +4,000 employees in over 1 million sqft of industrial space

Multiple processes
• Wave soldering, surface mounting technology (SMT)
• Machining: turning, milling, drilling, honing, painting, grinding in CNC machines
• Locomotive electrical motors repair and testing
• Ultrasonic welding, stripping and cutting electrical wires
• Fiber glass-filled resin lamination, curing, grinding