

Optimizing Contract Manufacturer Operations with Cisco TelePresence

Leading global contract manufacturer Jabil Circuit premieres Cisco TelePresence for Manufacturing to enable decision-making speed and accuracy with improved cross-functional collaboration across the supply chain.

EXECUTIVE SUMMARY
<p>JABIL CIRCUIT</p> <ul style="list-style-type: none"> Contract Manufacturing St. Petersburg, FL 85,000 Employees
<p>CHALLENGE</p> <ul style="list-style-type: none"> Latencies in communicating with manufacturing and customer sites worldwide Slow collaboration based largely on audio conferencing Extensive, expensive travel to support manufacturing projects
<p>SOLUTION</p> <ul style="list-style-type: none"> Implementation of Cisco TelePresence into three manufacturing sites Jabil's CTS-3000 room in Shanghai, Penang, and Guadalajara Fiber optic upgrade, routing, switching
<p>RESULTS</p> <ul style="list-style-type: none"> Faster incident, business, and team responsiveness Significant adoption by Jabil corporate and plant management Significant cost savings

Business Challenge

Jabil Circuit, headquartered in St. Petersburg, Florida, is an electronics solutions company providing comprehensive electronics design, production and product management services to global electronics and technology companies. With more than 85,000 employees and facilities in 21 countries, Jabil provides comprehensive, individualized, focused solutions to customers in a broad range of industries, with a strong focus on healthcare, life sciences, clean tech, and advanced enterprise IT hardware.

As the company has expanded globally, the manufacturing team wanted to improve business processes and collaboration. The team also wanted to reduce latencies, as well as speed production and problem resolution. In addition, the goal was to improve project communication and reduce face-to-face meetings, which were often during long and expensive international trips by executives and managers.

In 2008, Jabil began to work with Cisco on establishing top-quality digital conferencing facilities at strategic locations to support more complete collaboration. Cisco TelePresence is part of a series of

collaboration solutions for manufacturing that use Cisco capabilities to enhance interactions between suppliers, contract manufacturers, and customers. They are designed to provide supply chain stakeholders with greater access to each other, industry experts, and to real-time information affecting the supply chain to help manage performance, support product launches, and localize crisis and risk management. Based on the in-person quality of the Cisco TelePresence experience, Jabil saw the potential for enhancing relationships with customers and partners, improving communication, and speeding time-to-delivery for its products.

“Jabil’s executives and managers understood the value of this solution immediately, even though TelePresence had never been used before in a manufacturing environment,” said Matthew Kading, program manager for the Cisco Collaboration Center for Excellence. “They immediately committed to three TelePresence rooms, one for each of the 3 overseas facilities that manufacture Cisco product.”

“Cisco TelePresence is an extraordinary business solution. The life-size video shows no degradation or delays which assist in building relationships with the other participants. This visual collaboration tool dramatically enhances our business while opening up new possibilities. As a 'Business Unit' supporting Cisco around the world, TelePresence has allowed us to communicate across the planet in a virtual face-to-face manner, without the costs associated to an excessive amount of travel. I can see TelePresence becoming a standard in Jabil culture.”

—Joe Adams, Vice President, Global Business Units, Jabil

The Solution

Cisco TelePresence is a breakthrough remote collaboration and conferencing technology that allows the participants to interact with colleagues as though they are meeting in person, without ever setting foot on a plane. In a dedicated room, large-format displays provide a consistent, high-quality image and sound with voice-activated switching for individuals or for groups—participants simply speak and behave as they would in a face-to-face meeting.

To share information, team members may use a series of one-touch auto-collaborate tools, including a PC projector and the ability to conveniently share physical objects with an optional high-definition document camera. In this way, for example, engineers may share CAD files or detailed, instant images of product items for assessment and review.

A TelePresence room does require video-grade bandwidth connectivity, and decisions about where to locate a facility are sometimes made largely based on bandwidth availability and cost. Jabil handled this problem by deciding to upgrade some core switches of the existing Cisco network to support its new facilities with fiber optic cable.

Jabil's TelePresence system was launched in early 2009, with its first quarterly business review held via TelePresence. The meeting involved approximately 30 participants, along with an integrated audio bridge to include Cisco WebEx attendees. Feedback from the meeting was extremely positive, with participants thrilled at the convenience and participation enabled by the new solution.

“TelePresence is an impressive solution to our fast-paced day-to-day global activity, both internally and with our customers. The ability to link all of the sites on a daily basis has really improved our communication and productivity. As we move forward, TelePresence will become ingrained into our business model,” said Larry Leveille, Senior Business Unit Director at Jabil.

Jabil management had assumed that the main users of their new facility would be the manufacturing engineering teams, sitting in face-to-face meetings with colleagues during the development and build process. However, as Jabil's corporate officers became aware of this new capability, they became involved in far more conversations, with the result that teams benefited from faster exchanges of ideas, escalation to the executive level, and review approvals.

Results

In addition to seeing significant workflow productivity improvements, Jabil is benefiting from cost savings. For example, the company estimates that it saved as much as \$30,000 on travel expenses for a single business review. Jabil also uses TelePresence to support many manufacturing initiatives—transferring products, information about production, process improvements, and so on—programs that have previously required frequent trips for personnel.

TelePresence also facilitates more intimate and agile interactions between executives, R&D teams, plant managers, sales and service organizations, and distributors with more regular meetings.

Next Steps

For the future, Jabil will add a fourth TelePresence room in its St. Petersburg location, to support collaboration across the company. “By leveraging the power of the secure network and unified communications, Cisco TelePresence has transformed the way we work with global manufacturing,” Leveille concluded. “We will all see huge benefits from this new communications environment as its use continues to expand in our worldwide organization.”



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