Case 9-2: Russell Wisselink

Student’s Name

Institution

Date

**Introduction**

Russell Wisselink is a major buyer of Trojan technologies. In the morning of March Russell received an email illustrating that Trojan would not be able to deliver the sleeves as expected during to new regulations introduced by the Chinese government. This affects the entire process of delivery and therefore an alternative effective plan to seal the deficit is required. This, therefore, therefore, provide a detailed plan for the delivery of sleeves and discussion of the case questions.

 The best plan would look for the long term and short supply chain to ensure that sleeves reach the company within the time frame. It would be important for the company to proceed with low cost regional to ensure the delivery time and date is meant. This is done has the company proceed with outsourcing from China. In this case, it would be essential for the company to proceed with the deal with Juntao. This would require an immediate test to make sure that the crystal and would meet the purity, which is required to make UV4 sleeves (Leo, 2017). However, for immediate use of sleeves, it would be appropriate to sign a contract with AMA for the supply. This would ensure that the sleeves are available for short and long term use. Although sourcing other options for the supply of crystal sleeves would be one of the best options, the repercussion of the regulations implemented by the Chinese government is not known and could as well affect other companies.

However, the purchase of crystal from Juntao would be expensive compared to other sources in China as it is currently. It cost $ 77 to get a crystal sleeve from Juntao and $51 from AMS and therefore, getting crystal sleeves from AMS is cheaper. The deal, therefore, should be signed with AMS for the immediate supply of crystal sleeves (Lera, 2015). This problem can be prevented from occurring again, by establishing the different source of supply of crystal sleeves. It would ensure that in case of a shortage of supply from one company, there is already an alternative supplier to meet the demand of the company. It is important to have both regional and outside supplier in China. The regional supplier would meet the immediate or short term need while the shipment of the product is being waited to arrive.

It is important to note that sourcing from China worth the risk because of the price and steady supply the company would receive. Russell requires a steady supply of crystal sleeves and regional it cannot be meet and therefore, when sourced from China it would be impossible for the company to run out of the supply of the product (Johnson & Flynn, 2015). This is a key element in business decision making for an efficient supply of the product, which helps the company in meeting customers’ demands. In order to reduce company risk exposure when doing global sourcing, Russell must establish a regional supplier, which is very reliable and can deliver under short notice. It could be Juntao, AMS or any other companies with the ability to deliver the product when needed by the company. As a matter of precaution and spreading of risk, it would be appropriate to continue working with Juntao as an alternative supplier of crystal sleeves to the company. This will limit several risks, which the company would ignore if there is no alternative supplier.

In conclusion, it would be essential to proceed with the signing with AMS for the short term supply of crystal sleeves to ensure that the company delivers on time. As this happens, an alternative supplier should be sourced in China, which can provide a steady supply of crystal sleeves. However, to limit the risk, it is important to have a deal with Juntao as well.

# References

Johnson, F., & Flynn, A. (2015). *Supply and Supply Chain management: Leenders Supply Chain Management.* New York: Pearson.

Leo, N. (2017). Purchasing and Supply Management- Flynn | Inventory. *Supply and chain management*, 2-14.

Lera, P. (2015). Purchasing and Supply Management | Synapse | Academic search. *International Journal of Supply and logistic*, 2-18.