

# LOGOINCLUDED: Much More Than Just a Logo

Meet one company that not only stands by its Chinese factory's inventory availability and compliance, but openly invites customers to come to China and see it for themselves.

BY ANDRAYA VANTREASE



**D**espite the lingering inventory shortages and a drop in budgets over the past few years, LogoIncluded – an overseas supplier and manufacturer of technology products – has found a way to give its customers, many of whom are other suppliers, exactly what they want. From a labor perspective, of course, it's much cheaper to manufacture products overseas, which means they will sell for less to customers in the United States. However, some businesses are wary of far-away factories. But Atlanta-based LogoIncluded, with its own manufacturing facility in Shenzhen, China, has nothing to hide and everything to gain from exporting products to the U.S.

LogoIncluded products manufactured in its factory in China include customized technology items such as USBs,

MP3/MP4/MP5 products, wireless/Bluetooth products, digital photo frames, GPS units, industrial control boards, automobile security systems, kiosk and self-service systems, and intelligent mobile devices (WINCE/Android).

"People want to buy from our factory because of our design capabilities, quick production time, cheap prices compared to U.S. products, and because we specialize in any kind of ODM item," says Alex Harrod, vice president of sales at LogoIncluded. "Even if they don't know exactly what they want, we can work with them and develop it from the ground up."

#### **Certification Central**

The LogoIncluded factory in China has a variety of certifica-

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LYNN TAYLOR, LOGOINCLUDED

tions that allow customers to trust the American-owned firm, beginning with the Class I Certification for Social Compliance and Responsibility, which incorporates CSR and standard Social Accountability 8000.

"We had a company come in and do an extremely rigorous certification process that took a few weeks to complete," says Lynn Taylor, marketing manager at LogoIncluded. "At the end of it, the board passed us for Social Accountability, meaning that we don't use child labor, we have a clean and safe working environment, fair wages and correct hours; all the things people assume about companies, we prove it. Nobody likes to work with suppliers that have anything remotely close to a sweatshop. The certification alleviates any worry and provides a lot of peace of mind."

This certification also covers discriminatory issues, disciplinary practices, freedom of association, and rights to collective bargaining and management systems. Each category must be passed in order to be given the certification, which LogoIncluded earned in 2008.

The Shenzhen-based factory is also actively involved in going green through many of its processes and additional certifications. "It uses recycled materials, solar power and is ISO9001-certified and RoHS-compliant," says Harrod. "Many suppliers and distributors won't work with anyone who isn't certified, so it's a key component to the whole profile of our factory."

ISO9001 is a quality-management system that includes requirements such as monitoring processes to ensure they are effective, keeping adequate records, checking output for defects and taking appropriate and corrective action where necessary, regularly reviewing individual processes and the quality system itself for effectiveness, and facilitating continual improvement. The factory's RoHS compliance comes directly from the use of certified equipment specially designed to avoid six specific chemicals: lead, mercury, cadmium, Cr6+, PBB and PBDE. The products in LogoIncluded's RoHS-compliant lines are also phthalate-free, making them some of the safest products available.


Paul Shi, marketing and operations director at the factory in Shenzhen, addresses the government issue of pollution and environmental protection and reveals that LogoIncluded has been working toward these goals for quite some time now. "As an American-controlled company, we've been putting strict measures to protect the environment since 2004 when we moved into our current facility, long before the government regulations were in place," Shi says. "Our painting facilities are designed to absorb

the waste gas, and all the water used in them is transferred to the special facility for purification. Our air conditioning systems in the production facility consume a fraction of the electricity that a traditional air conditioner would, and we have reports every month for recycling materials from electronic components to paper – nothing gets thrown away without being checked first." The factory also uses solar battery chargers that do not contain metallic lithium; therefore, safe disposal is not a problem.

Taylor makes it a point to clear up some myths about working with overseas factories. "There are a lot of misconceptions right now in dealing with suppliers overseas," she says. "Working with a manufacturer that has multiple layers in their production capabilities allows customers to come directly to us. If there's a problem or snag at any point, we'll know immediately. It's not going through multiple panels, creating delay after delay." She also points out that the company works with FedEx to transport two shipments per week from the factory to the warehouse in Atlanta. "It's very, very rare that there's a snag in our shipping line. We're just as interested in you getting your order as you are."

### **Solutions for the Stock-Challenged**

So how is LogoIncluded combating the world-wide inventory shortages? Communication is key. "We've found other suppliers that provide the raw components, like the raw PC board or transistors and that kind of stuff," says Harrod. "We've had to find multiple vendors to have backup, and we've had to increase our stock to make sure we have enough to make it through. We're working closely with our customers to make sure that everything is scheduled appropriately, and really communicate with them and say, 'Look, this is what's going on. The PC vendors have gone from four weeks to 12 weeks, so you can't tell me in the third week that you want to double your order for the next week. I can't do that anymore.'" Harrod doesn't expect the issue to subside until the production capability in China is back to where it was years ago, which he predicts won't be any time soon.

Shi adds that LogoIncluded uses historical data to plan the inventory as best it can. "By combining the Enterprise Resource Planning software with our own order-processing software, we can react right away for any unexpected spike at the planning stage," he says. "With the production process' specialized flexibility and speed, we have been handling the delivery pretty smoothly." 

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