

# Testimonial

## Artesyn

Artesyn Technologies is a US-based company that supplies power conversion products and communications subsystems to the computing and communications industries.

### Location near major airport indispensable

When Artesyn consolidated its worldwide manufacturing in China and Hungary, that meant the company would be supplying its European customers direct from China and would require a warehouse in Europe from where its freight could be forwarded.

"Our distributors want one- or two-day service," said Betty Hillstrom, director of global logistics and trade compliance at Artesyn North America Inc., "and that wasn't going to happen from China." The company's immediate consideration was where it could get that service while reducing costs and adding efficiencies.

Although Artesyn manufactured some of its products in Ireland, it did not make sense to keep the distribution there. Ireland was too far away from Artesyn's customer base, and goods would have had to be shipped by ferry and then trucked across Europe.

"Logistically, costs and timing were just not efficient and it was not the place to be," Hillstrom said.

When the company analysed the location of its European customer base, the size of shipments and types of delivery as well as the tax benefits it was looking for, Artesyn quickly concluded that the Netherlands was the best location.

"All our airfreight from China comes through Amsterdam," Hillstrom said. "We will have a direct ship from Hong Kong to Amsterdam, from where goods will be forwarded by small package to our distributors. After involving our tax department it made the most sense financially and logistically. We wanted to be close to a major airport, as the size of the shipments means that most of it would ship airfreight. But if it moves via ocean freight, one of the major ports in Europe is Rotterdam. We're already in Amsterdam, and it just reduces our overall cycle time."

"It's a great improvement in our supply chain," she added.

