

Manufacturing in Asia: challenges and benefits in 2019



Manufacturing in Asia: challenges and benefits in 2019

Index

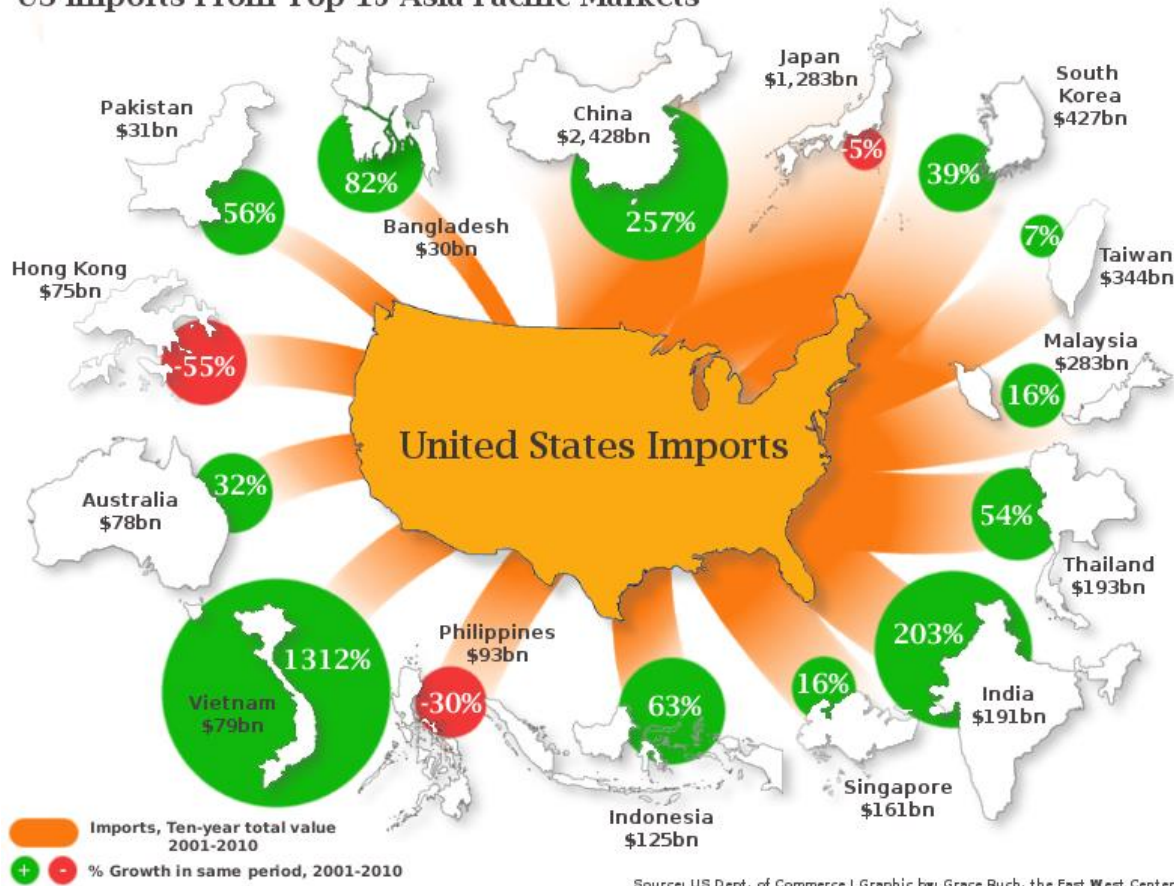
- A. Facts and figures of US imports from Asia
- B. Challenges of manufacturing in Asia
- C. Benefits of manufacturing in Asia
- D. Manufacturing in Asia: the situation in China
- E. Manufacturing in Asia: alternatives in South Est Asia
- F. Solutions



Manufacturing in Asia: challenges and benefits in 2019

A. Facts and figures of US imports from Asia

US Imports From Top-15 Asia-Pacific Markets



Source: US Dept. of Commerce | Graphic by: Grace Ruch, the East West Center.

B. Challenges of manufacturing in Asia

- Managing the consistency of Quality Standards
- Managing Social and Environmental Responsibility
- Far, far away
- Copy-cats
- Business Culture Difference
- Language Barrier
- Time Difference



Manufacturing in Asia: challenges and benefits in 2019

B. Challenges of manufacturing in Asia



Are your factories audited?

Manufacturing in Asia: challenges and benefits in 2019

B. Challenges of manufacturing in Asia



Source: LILLY and Associates International



Source: Chinalytics

Logistics can be a different concept.

Manufacturing in Asia: challenges and benefits in 2019

B. Challenges of manufacturing in Asia



Source: Awesomelntentions.com

Copyright infringement is a daily battle

Manufacturing in Asia: challenges and benefits in 2019

B. Challenges of manufacturing in Asia



Lacoste learned the hard way that your brand should be copyright protected in China too!

Source: Augusta



C. Benefits of manufacturing in Asia

- Cost Savings
- Large Production Capacities
- Manufacturing Know-how
- Flexibility
- Innovation



Manufacturing in Asia: challenges and benefits in 2019

C. Benefits of manufacturing in Asia



SOURCE: China Mike

Mega factories in Asia provide unparalleled production capacities

Manufacturing in Asia: challenges and benefits in 2019

C. Benefits of manufacturing in Asia



iPhones are
manufactured in
Foxconn factories in
South China

SOURCE: The Guardian

Manufacturing in Asia: challenges and benefits in 2019

C. Benefits of manufacturing in Asia



SOURCE: Pinterest

Flexibility made in
Asia

Manufacturing in Asia: challenges and benefits in 2019

C. Benefits of manufacturing in Asia

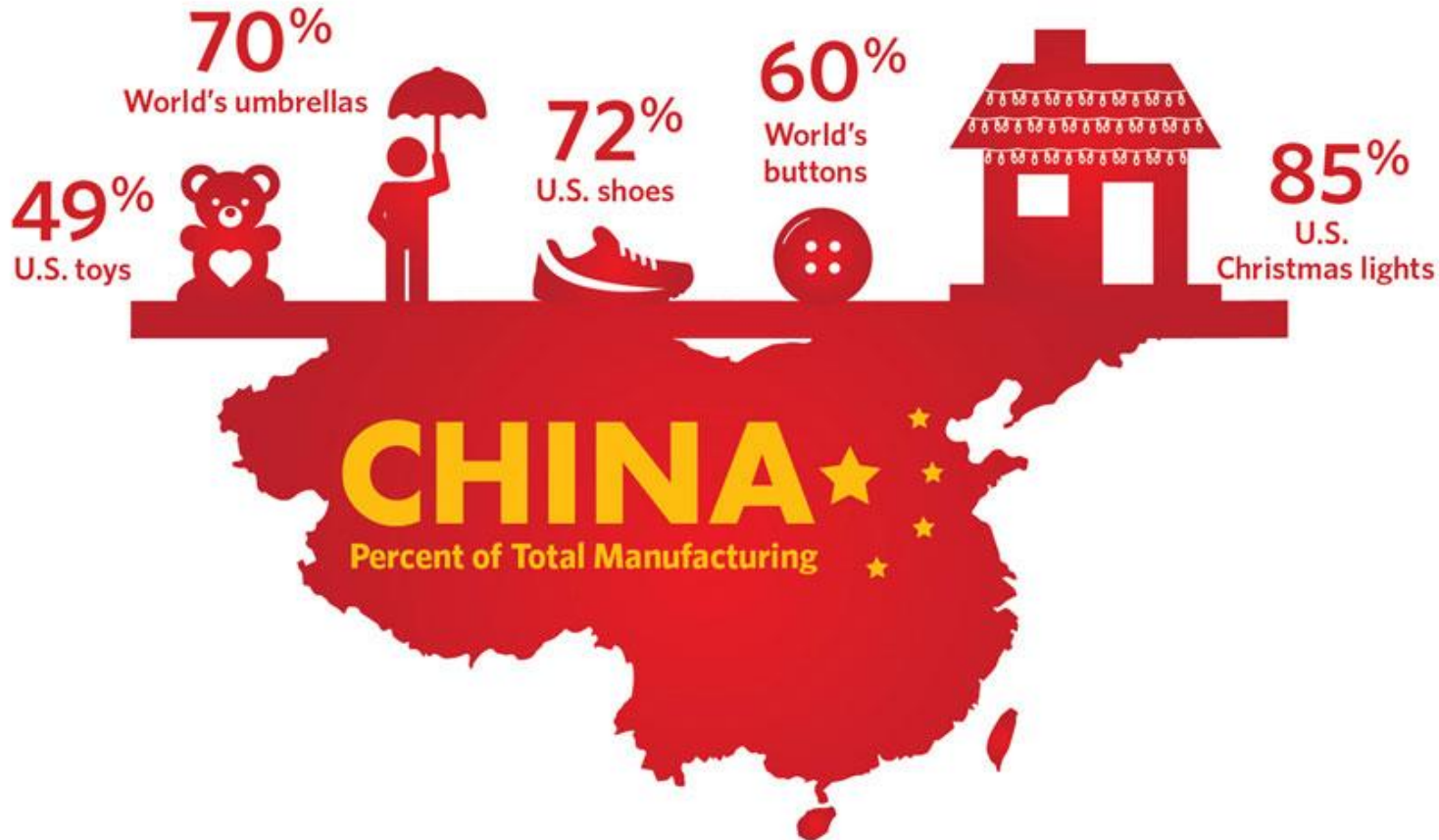


SOURCE: www.smithsonianmag.com

China is the global leader in Solar Energy research

Manufacturing in Asia: challenges and benefits in 2019

D. Manufacturing in Asia: the situation in China



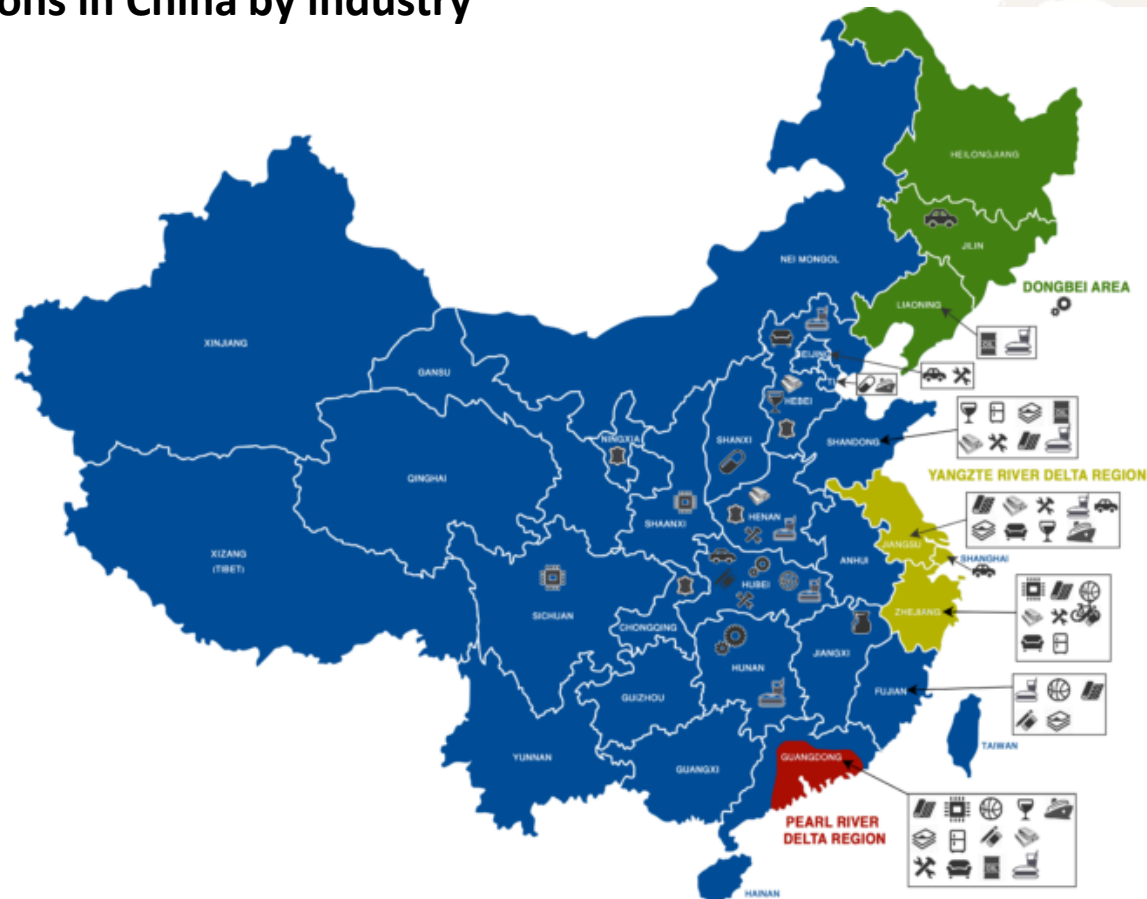
Source: East West Bank

Manufacturing in Asia: challenges and benefits in 2019

D. Manufacturing in Asia: the situation in China

Manufacturing regions in China by industry

Map Key	
	= Electronics
	= Textiles
	= Leather & Fur
	= Metals
	= Glass
	= Ceramics
	= Furniture
	= Construction
	= Household Appliance
	= Stationery & Artware
	= Sporting Equipment
	= Papermaking & Printing
	= Machinery Manufacturing
	= Petrochemicals
	= Pharmaceuticals
	= Food & Beverage
	= Motor & Bicycles
	= Automobiles
	= Shipping/Vessel



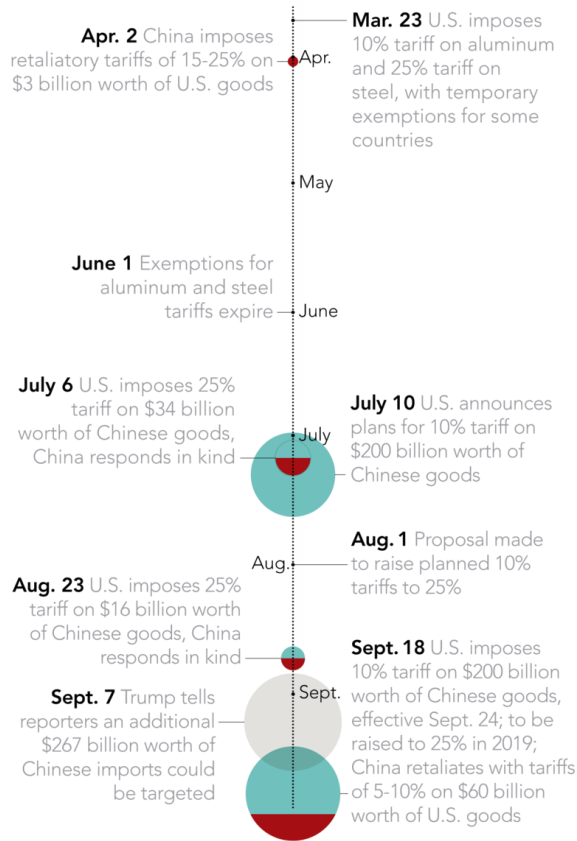
Source: famisourcing.com

Manufacturing in Asia: challenges and benefits in 2019

D. Manufacturing in Asia: the situation in China

Tit for tat: U.S.-China tariffs so far

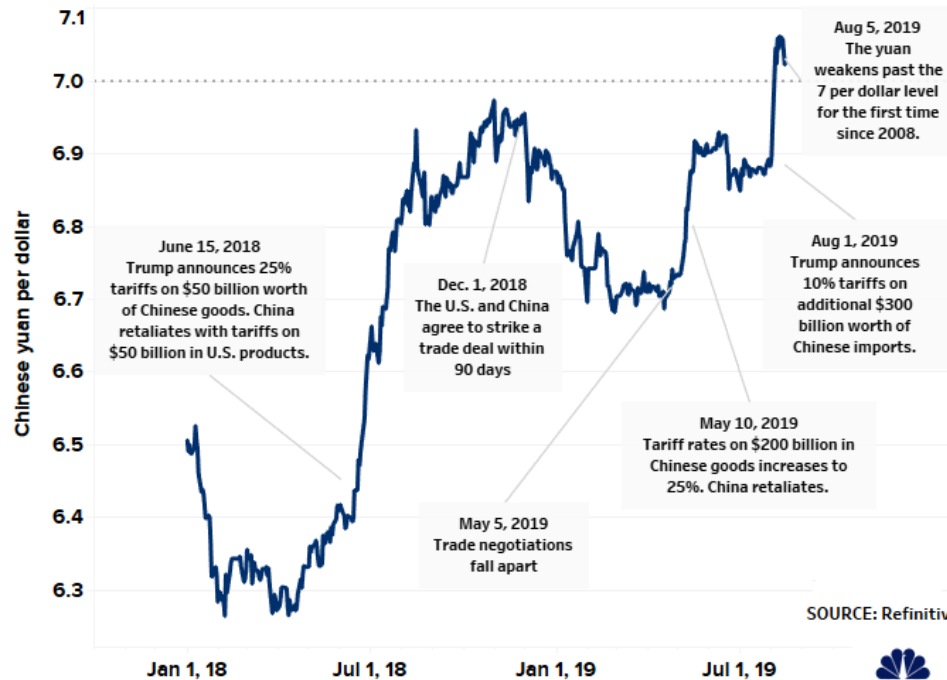
● U.S. ● China



Source: Media reports

U.S.-China trade war currency impact

Onshore exchange rate, Chinese yuan vs U.S. dollar



SOURCE: Refinitiv



D. Manufacturing in Asia: the situation in China

Actions being taken by Chinese Government to mitigate the trade war:

- ✓ Decrease of VAT from 17% to 13% increase domestic consumption
- ✓ Decrease of Income Taxation to lower Labor Costs
- ✓ Decrease of Corporate Income Tax to boost Enterprises
- ✓ Control of Exchange Rate RMB – USD to support Exports
- ✓ Extension of Free Trade Zones
- ✓ Extension of tax write-offs for R&D and Eco-Friendly Materials

Manufacturing in Asia: challenges and benefits in 2019

E. Manufacturing in Asia: alternatives in South Est Asia

- ✓ Value Added Production in Myanmar,
- ✓ Packaging Industry in Malaysia,
- ✓ Wood Industry in Indonesia,
- ✓ Plastic Industry in Thailand,
- ✓ Textile Industry in Vietnam, etc.



Source: Wikivoyage

Manufacturing in Asia: challenges and benefits in 2019



F. Solutions

aeptis SIS helps you leverage the biggest manufacturing area in the world by optimizing the supply chain of your packaging and marketing materials in an Eco-friendly and socially responsible manner while decreasing your costs!



Manufacturing in Asia: challenges and benefits in 2019

aeptis Hongkong Ltd.
aeptis Shanghai Co., Ltd.
www.aeptis.com

2/F Dah Sing Life Building
99-105 Des Voeux Road, Central,
Hongkong

619 Caoyang, Room 3B-3C,
Putuo District, Shanghai 200062,
China P.R.C

T: +86 (21) 6025 3060
F: +86 (21) 6025 3061
E: info_sis@aeptis.com