

- (1) ASICS has started itself in the industry since 1980s, with well-pronounced infrastructure inside. However, ASICS needs restructuring according to Porter's Value Chain concept for better efficiency and effectiveness. Value Chain concept expresses an integrative approach to logistics and supply chain which clearly define the boundaries and responsibilities for each involving departments and personnel. ASICS does not have a dedicated department towards order processing and sales in general, and instead passing it onto the administrative department who has to handle both the employees' welfare and information processing. This becomes extremely inefficient and out of focus as the department has to essentially work on two most important tasks at the same time.

ASICS has to establish a sales and marketing department dedicated to order processing, sales, marketing, and relevant information in order to relieve some pressure from administrative department and to solve the problem of delivery failures. Additionally, ASICS needs scale up the marketing department in order to deal with this restructuring process, while also instantaneously reconsider putting production department into taking care of operations and outbound logistics by either hiring more staffs or contracting a third party logistics partner. As mentioned, sales and marketing department can also take on customer service as a mean of support. Inbound logistics can be handled by suppliers who has the best support and relationship with ASICS.

- (2) Delivery problem to MMM stem from the fact that ASICS places a prominent responsibility onto an occupied department administrative department while failing to establish certain Standard Operating Procedures for them. This is ineffective and wrong. To combat the issue, as described above, ASICS needs to shift the responsibility onto a newly established Sales and Marketing department who has the capability and manpower to make sure MMM's demands are met within time. If the issue is not solved within a short period of time in the future, ASICS will face the possibility of losing MMM to its competitors, who are establishing new manufacturing and distribution facilities nearby.
- (3) ASICS has many options to become a "low-cost, high-quality" product manufacturer, especially for sportswear and equipment industry. However, by looking at the market, the cost of raw material had risen between 10 and 15 percent, with public warehousing cost also following the same route. So, in order to fully embrace the idea of producing high quality products with low-cost approach, ASICS needs to look at other factors alongside the supply chain management.

They can focus on distributional section of its products, where they are placed directly as near as possible to the market and customers. This follows the footsteps of Full Speculation Strategy, where products are mass-produced and stocked throughout multiple stocking points and inventories to ensure fast-moving mechanism, and to take advantage of Economies of Scale, while avoiding overstock in the main warehouse. As the firm needs to utilize multiple warehouses in turn for quick turnovers, this dramatically increases the costs of inventories and maintenance. Alternatively, they focus on one or two main markets and aggressively target them. By embracing Logistics Postponement Strategy, ASICS can ensure its dominance in markets that matter the most to its profitability. This avoids producing too many goods until orders are placed, which in turn saves up the costs of manufacturing, warehousing, and maintenance that ultimately result in lower end prices.

Also ASICS can look at its Operational phase and decide to embrace Manufacturing Postponement Strategy, that is, to take a good chunk of advantage from its production techniques by utilizing modular production processes. ASICS can increase flexibility in production by producing semi-finished, or an intermediate form of products of certain variability and then ship them to warehouses, where they can be assembled according to actual orders from customers. This proves to be the most flexible method of all, and be able to make use of Economies of Scale and Scope.

(4) Production

- Product development - The entire production sequence and development process will face an entire new set of issues as distance and environment becomes further and harder to work with. ASICS can, however, arrange a search team to study the effects and to craft a new standard process to deal with this.
- Skilled-Labor - Migrating the factory to the US-Mexico border means less skilled-labor, prone to errors and mishandles, and less-than-smooth operational performance. However, this can be solved by effective trainings and supervision for new employees.
- Transportation cost and risks - To ship the goods from the new factory to existing warehouse would significantly increase the transportation costs, and increasing the risk of product damage. The solution is to use the company's existing fleet of trucks to handle long-distance transportation or to partner up with another professional shipping firm to ensure on-time shipment with consistent quality.

Logistics

- Warehouse & Distribution - ASICS's ability and capability to distribute the products effectively when the factory is moved away from its already established market and distribution center. It may choose to utilize the same central distribution center, or it might choose to take advantage of the situation and set up multiple stocking points and distribution center along the way in

order to reach different markets in different areas and more market share, as well as improving profitability.

- Transportation - Logistics suffers the most as longer distance disrupts shipping and delivery time and the risk of product damage. A wise way to deal with this is to choose an efficient way of transportation. Whether to use a fleet of vehicle with instantaneous and continuous shipments or use planes to ship them is up to the total cost furtherly studied.

Marketing

- Customer Support - The process of customer support and overall customer satisfaction will suffer an impact. ASICS needs to study the effect and create a prevention plan for combat the issue in the form of more efficient communication between headquarter and factory.