

CASE STUDY

ENSURING CONSISTENCY, QUALITY AND CONTINUITY IN NEARSHORING PACKAGING

Tailored Packaging Solutions Help IT Hardware Leader Save \$250K in Material Costs and Maximize Nearshoring Value



After experiencing supply chain disruptions stemming from the COVID-19 pandemic and geopolitical tensions, a leading IT hardware manufacturer decided to shift its manufacturing operations from Hungary to Mexico. This nearshoring strategy helped the company mitigate risk and improve supply chain resilience, but it also brought challenges to its packaging operations. With expensive, easily damaged electronics, the company needed high-quality packaging materials to ensure product integrity during long-distance transportation — but it struggled to secure these materials consistently in Mexico.

With end-to-end packaging solutions in both Mexico and the US, Victory Packaging hit the ground running to help the customer make its new nearshoring strategy work for them. To eliminate product damage, our Mexico-based packaging engineers developed multi-material packaging that incorporated high-quality wood, metal, corrugated and cushioning materials — all of which we provided consistently thanks to our well-established packaging supply chain in Mexico. For products shipped to locations such as Southeast Asia, we designed an innovative humidity-control feature that further protected the manufacturer's high-value electronics en route.

Beyond product protection, another key aspect of high-quality packaging is the ability to be transported efficiently. We incorporated modular designs that reduced our customer's SKU count and decreased its storage requirements, both of which increased the efficiency of its nearshoring packing operations.

By partnering with Victory Packaging, our customer reaped significant benefits. It reduced its annual packaging material costs by \$250,000 through our optimized designs and material selection. It decreased the need for packaging labor and storage, which contributed to a higher level of operational efficiency, and gained the peace of mind that its electronics were protected throughout the transportation process — whether they were being shipped to the US or ultra-humid destinations such as Southeast Asia.

Every step of the way, the IT manufacturer has a trusted partner that delivers consistency, quality and continuity on both sides of the border — helping maximize the value and minimize the risk of its nearshoring strategy.

CHALLENGE

Secure a consistent supply of high-quality custom packaging solutions to protect valuable electronics when transported from manufacturing operations in Mexico to customers worldwide

SOLUTION

Develop and supply customized packaging solutions in Mexico that provide consistent quality, minimize damage, and reduce SKUs, while decreasing packaging storage requirements

RESULTS

A \$250K reduction in material costs, decreased packaging labor, optimized storage and a packaging partner that provides consistency, quality and continuity throughout Mexico