

A DIMERCO CASE STUDY:

Manufacturing Plant Relocation: Keys to Success



Challenge

Relocating a house can be overwhelming, with checklists, timelines, and unexpected challenges to manage. Now, imagine relocating an entire manufacturing plant from one country to another. Manufacturing plant relocation is an immense task that demands months of careful planning and execution, all the while meeting production deadlines.

This was the task of Dimerco Malaysia to help a leading IT infrastructure manufacturer relocating from Singapore to Malaysia in 48 weeks

Approach

The success of the manufacturing plant relocation involved planning, overcoming challenges, and being insured.

It Starts with Planning

Relocating a manufacturing plant requires a tailored approach, beginning with collaboration with a logistics specialist to understand specific needs and minimize disruptions. Key steps include creating a detailed checklist of tasks and timelines, focusing on two critical checklists:

- **Inventory Checklist:** Includes all items to be relocated, verified through on-site inspections. For instance, Dimerco Malaysia conducted a physical check at the manufacturer’s Singapore factory before the move.
- **Regulatory Compliance Checklist:** Outlines necessary documents, permits, and approvals, such as commercial invoices, customs forms, and exemptions for machinery.

For this project, once inventory and compliance were verified, a detailed relocation schedule was developed, making sure to align that schedule with production timelines to minimize downtime and maintain productivity.

Overcoming Challenges

Unexpected challenges can arise during a manufacturing plant relocation, but with the right logistics partner, these obstacles can be quickly addressed to keep the process on track. In Dimerco Malaysia’s project, initial hurdles were resolved through active communication and swift problem-solving, avoiding major disruptions (see insert).

Being Insured

In-transit insurance is essential for relocating high-value machinery, as standard logistics coverage may not fully protect your equipment. Dimerco advises securing additional insurance, and in a recent project, our customer chose to purchase their own, providing peace of mind despite it not being needed.



Challenges	Solutions
During the initial shipments, the loading bay at the customer's new premises was too small for the low-bed trucks.	Dimerco arranged for an empty 40-foot truck on-site to test and adjust the loading bay structure for future pickups and deliveries.
While moving the heavy machinery into the customer's premises, minor damage was discovered on the epoxy flooring.	Dimerco collaborated with the moving team to resolve the issue by adding metal plates and canvas to protect the floor.
Balancing the first 40-ton machinery initially took four hours, which was highly time-consuming.	Dimerco streamlined the process with the customer and industry experts, cutting the time to 1 hour.

RESULTS

The manufacturing plant relocation, initially planned for 48 weeks, was **completed ahead of schedule in 36 weeks, involving 40 low-bed trucks and 91 open trucks.**

“The project, completed ahead of schedule in about nine months, benefited from Dimerco's expertise in export/import formalities and truck space optimization. Their team ensured a smooth transition and was crucial in meeting our relocation milestones, and we are very satisfied with their support.”

Project Manager
IT Infrastructure Manufacturing Company

