



Takeover Tooling Without the Headaches

OEMs needing a new source for existing parts may consider “takeover tooling,” the process of transferring tooling from one supplier to another. It’s a good way to save the time and cost of new tooling, but there are some risks to avoid.

The Potential Benefits of Takeover Tooling

Now, more than ever, OEMs need to carefully manage the quality, delivery time and cost of each part in their supply chain. If a supplier consistently underperforms in one or more of these areas, an OEM can be forced to change suppliers. And changing suppliers on an existing part often leads to the decision to pursue takeover tooling. Takeover tooling is a way to replace an unsatisfactory supplier while reducing the time needed to PPAP and produce parts at the new supplier and avoid the expense of new tooling.

The Potential Risks of Takeover Tooling

When the process is properly managed, there is a strong upside for a takeover tooling project. But it is important to remember that takeover tooling can pose significant risks to both the OEM and the new supplier.

For the new supplier, damaged tooling or tooling that is not fully compatible with their rubber molding machines can result in production delays and added costs.

For the OEM, the process requires stockpiling sufficient parts from the existing supplier to bridge the transfer process. It is always possible that the existing supplier will fail to cooperate with the transition. Another risk is that the new supplier will prove unsatisfactory and the OEM will have to resume production at the original supplier. This can result in embarrassment and higher costs.

Tips for a Successful Takeover Tooling Transition

As a consistently low-cost supplier, Archer Advanced Rubber Components regularly manages successful takeover tooling projects. Here is a checklist we recommend to our customers:

Verify part-cost savings The first step is a market analysis to verify that the savings from switching suppliers justifies the cost and effort of the transition.

Weigh the cost of existing supplier’s performance It’s also important to factor in the real cost of the existing supplier’s poor performance. A low price can be very costly if it comes with delivery problems and poor quality.

Verify Tooling Compatibility with New Supplier Make sure the new supplier can produce quality parts with the existing tooling. At Archer, our engineers carefully review the the takeover tooling and work closely with the customer to confirm that the condition of the takeover tool is adequate and that it is fully compatible with our presses. It’s important to remember that no supplier can produce in-spec parts with an out-of-spec tool.

Considering Takeover Tooling? Let Us Help.

At Archer, our engineers, production experts, and quality team are ready to evaluate your parts and tooling. We’ll work with you to determine the viability of your project.