



Streamliners

Volume 1, Issue 7

May 2009

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Overcoming Your Fear of Outsourcing

Many companies are wary of outsourcing tasks to service providers. Concerns about transparency, quality, and timely delivery are key factors. But with appropriate planning and management, outsourcing can be a valuable tool for gaining a competitive edge. Outsourcing can provide the following benefits:

- Reduced development time/Faster time to market
- Cost savings and increased efficiency
- Access to specialized skills
- Improved quality
- Improved capacity and resource management

This article offers some tips for those who may be nervous about outsourcing projects.

Start Small

If possible, give your outsourcing provider a smaller, lower-risk project before giving them a major project. Starting small can give you a sense of how the provider operates while minimizing risk. Be aware of how your provider communicates. Are they responsive? Are they reaching established milestones? Are they delivering all developed intellectual property? Is the quality

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Special points of interest:

- Tips for outsourcing projects
- Outsourcing Trends in 2009
- Core Source and MET Labs: A New Strategic Alliance

Outsourcing Trends for 2009

As companies large and small cut staff and scrambled to position themselves for an uncertain future, functions ranging from engineering services—mechanical, PCB design, technical writing, supply chain, regulatory compliance, and prototyping—to IT to Human Resources and payroll are being outsourced in an effort to manage operating costs and maintain a quality product or service.

So, what will outsourcing look like in 2009? According to the International Association of Outsourcing Professionals (IAOP), we're likely to see the following trends this year.

Outsourcing Closer to Home

Initiatives from the new U.S. Presidential administration and increased government spending on

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Formula 1 and Technical Writing: Where the Rubber Meets the Road

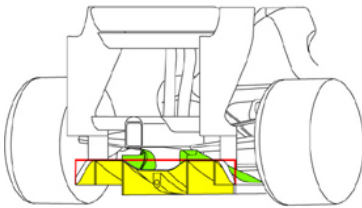


Illustration of the Williams diffuser showing the main diffuser highlighted in yellow and the upper diffuser highlighted in green.

Illustration by Craig Scarborough from AutoSport.com.

Earlier this year, a brouhaha erupted in the world of Formula 1 racing, and it all might've been avoided with good technical writing.

At issue were diffusers developed by the Williams and Toyota racing teams. Both teams developed double-decker diffusers, which took advantage of ambiguity in the regulations issued by the Federation Internationale de l'Automobile (FIA), the governing body of Formula 1 racing.

Other teams lodged complaints with FIA saying that the newer diffusers didn't comply with

regulations.

Diffusers manage the flow of air underneath the car. Lower air pressure creates more downward force and better performance.

The rules call for a diffuser height of 175mm above the reference plane measured from below. The rules also call for a continuous line where the diffuser meets the flat floor at the axle line. This appears to allow more than one surface to exist in this area allowing teams to create the double-decker diffusers. The main diffuser is as long, wide, and tall as the rules allow,

but the middle section stops short of meeting the flat floor. Instead the floor extends into an upper diffuser.

The controversy created by the FIA rules proves a point: words matter. A good technical writer may have crafted more precise language, which could've avoided the time and cost of the court battle that ensued.

Communicating information is the technical writer's forte, and the value—reduced technical support, more effective training, and increased efficiency—can have a real impact on customer satisfaction and the bottom line.

“Initiatives and increased government spending on infrastructure projects may lead to more domestic outsourcing.”

Outsourcing Trends for 2009

infrastructure projects may lead to more domestic outsourcing, particularly for construction, real estate and technology. Many infrastructure projects will be managed by federal and state government entities and therefore, domestic outsourcing will be strongly encouraged if not legislated.

Increased Flexibility

Global uncertainty and customers' desire for immediate and guaranteed cost savings will lead companies to seek shorter outsourcing contracts that give them the ability to adjust volume and service level terms.

Also, Core Source believes the demand for faster development schedules and reduced time-to-market will increase in 2009.

Increased Value on Professional Expertise

Customers will demand a more predictable operational model from their providers. This will mean higher requirements for outsourcing skills and knowledge. Outsourcing customers will also rely more on the expertise of outsourcing professionals in their own organizations to help manage the outsourcing process, putting pressure on advisors to demonstrate a higher value proposition. This increasingly

self-service oriented customer model will be fueled further as more organizations implement outsourcing centers of excellence.

More Green Investment

The new U.S. Presidential administration may drive a higher emphasis on socially responsible business environments causing outsourcers to create appropriate solutions. These could include industry-competitive employee retention and retraining programs, and green operating environments for technology, real estate, and manufacturing services.

From the President's Desk: Core Source and MET Labs Announce a New Strategic Alliance

Core Source Technologies, LLC and MET Laboratories, Inc., a premier compliance testing and certification facility, have announced an alliance agreement that will provide turn-key solutions for customers.

The alliance allows the two companies to offer each other's services and provides customers with preferred access to the skills and expertise each company offers.

Core Source customers who need quality, accredited testing will benefit by having access to MET Labs wide range of testing services, including EMI and

Environmental Simulation; Safety Certification; CBTL and NCB for ITE, Laboratory, Medical, Audio/Video equipment; and EMC testing.

MET Labs customers who need help resolving issues that arise during testing or preparing for regulatory compliance testing or certification will benefit from Core Source's engineering services, including mechanical design, simulation, and analysis; PCB layout; technical writing (online help, installation instructions, user guides, administrator guides, etc.); material and parts sourcing; and prototype or pilot rework.

Overall customer gains:

- Access to a one-stop-shop for engineering and regulatory compliance testing
- Reduced or eliminated re-testing and schedule slips
- Accurate, timely test reports
- Predictable product launch dates

Both companies look forward to increasing customer satisfaction by providing efficient, comprehensive services.

Rod Bullard,
President



Notes from the President

Core Source Moves Toward ISO 9001 Certification

In response to increasing inquiries, Core Source Technologies is pursuing ISO 9001 Certification.

ISO 9001—part of the ISO 9000 family of standards for quality management systems maintained by the International Organization for Standardization—is a standard that ensures organizations provide high quality products and services to their customers.

Compliance with ISO 9001 includes monitoring processes to ensure they are effective; keeping adequate records; checking output for defects, applying corrective

action where necessary; regularly reviewing the entire quality system; and facilitating continual improvement.

The benefits of ISO 9001 certification generally include:

- Increased efficiencies and effectiveness
- Increased customer satisfaction and retention
- Improved employee motivation, awareness, and morale
- Reduce waste and increases productivity

CST has nearly completed documenting internal

processes and will soon begin work with an auditing company to move forward in the certification process.

CST believes that compliance with, and certification for ISO 9001, will improve its already stellar record for high levels of customer satisfaction.

“ISO 9001 certification promotes quality, increased efficiency, and customer satisfaction.”

Overcoming Your Fear of Outsourcing

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what you expected? Using a smaller project as a gage can help you determine if your provider will be a good fit for more complex projects.

Have clearly defined objectives

Be clear about what you need the provider to accomplish. Be sure that any service or product specifications that you give your service provider are developed and complete.

It may be necessary to revisit the goals throughout the project to make sure no one strays from the goal.

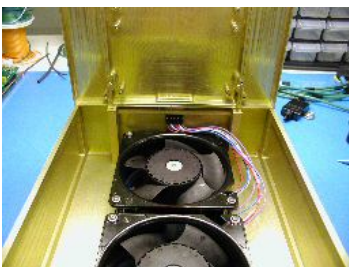
Develop a communication plan

Transparency is one of the biggest fears in outsourcing. How do you know what your provider is *really* doing? Regular status meetings and reviews are a must.

Some providers will have dedicated program managers to make sure that your project is on track and meeting deadlines.

Look for value-added services

Some service providers have relationships with material vendors, testing facilities, or other companies that can give you priority service, resulting in faster turnaround times.



Production assembly and analysis