

Abstract

This paper describes the approach to manufacturing strategy, using it firmly in the context of an overall manufacturing strategy. The work has been carried out jointly by the University of Cambridge Manufacturing Engineering Group and Lucas Industries. A review of the current state of ideas surrounding the linked issues of vertical integration and make or buy decisions is presented. Important features of the approach include identification of core manufacturing capabilities, assessment of the role of technology in manufacturing, the development of a cost model to support make or buy decisions and a review of the strategic implications of varying degrees of vertical integration.

Further, the approach has been embodied in a practical methodology that has been applied within Lucas Aerospace. A brief review of this practical application is included.



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