

If development in Europe is separated from the production in China, we lose this feedback. This is even worse if development and manufacturing are not part of the same company and both parties fear a loss of know-how. Small companies which still combine development and manufacturing have an advantage in this point.

Laurie: I agree—I used to work in a factory where we all worked together. We are now 10,000 miles away and don't speak the same language. How do you let people know what you want? Use a camera. Go there, show up. This helps to diagnose, not to fix. What is going wrong, why, and how to fix it? This is a completely different learning curve, but you should avoid a rush to blame production. Be nice to production: you will get the cooperation you need to solve the problem. Get to know the people. Experience is worth a lot. I want to set up a system so there are no problems in the first place, not prove someone did something wrong.

Chin Fa Cheng: Customers do not demand enough paperwork from the factory. Engineers in the factory may want to help you, but customers must ask for it so the factory will do the work.

Scott Orth: Use specifications and procedures carefully, after considered discussion, so there are no surprises in production. Send them to the manufacturer, talk to them, and make sure that each point is understood. For example, make sure they understand you want 100% testing. Put as much detail in as you can, and discuss it with the manufacturer.

Eric Chu: Try to collect as much as you can in data and photos for later reference.

Q: Peter Larsen: When you are talking about reducing systems to standards, you can simulate the system ahead of time and add tolerances, to predict what you can expect from production. Engineers look at specs, they see 8Ω and know tolerance is 20% and they make it 6.4Ω on purpose (to play louder in the store). They want to find out how low we can go.

Chin: My experience from high quantity runs is that, while the voice coil DC resistance can be held within 1%, many engineers design a nominally 8Ω driver with a real resistance 20% lower, 6.4Ω .

Eric Chu: The manufacturer can deliver 1% tolerance; many suppliers are very good.

Q: Steve Hutt: Discussion is from design and development outside China, built in China. There is one American OEM in the room and one firm that manufactures in the US and Mexico. Anyone in the room not based in China? Dan Digre has a factory in the US.

Scott Orth: We are using China as an example, but it applies to all factories.

Q: Stu Lumsden, Polk: We talk about China since the business has moved there. But other factories are represented by companies that are long-time members of groups like this and speak the same language, or everyone was under the same roof, with engineering responsible for the design being successfully manufactured. This is true anywhere in Asia since there is a cultural gap.

Audience comments:

Going out to the factory floor of integrated firms provides better feedback.

We try to be proactive about changes in frequency response.

Even at the front end of the design process, design for manufacture is not emphasized as it used to be when production and design was

in the same building.

Chin: On the full-product level, especially with a built-in amplifier, QC has extra challenges. The speaker normally cannot be tested due to its being buried in an enclosure. This is where design-for-manufacture must include design-for-QC, where tiny holes on hidden surfaces (e.g., bottom or inside battery housing), where test pins can access the speaker terminal at the amplifier's output. Another difficult QC case is operator's non-awareness of amplifier turn-on delay. A QC operator may place the DUT (device under test) onto a test jig and measure so quickly that a good device will fail. This is why engineers must be on the QC line to oversee all sorts of unexpected issues, as stated by Laurie Fincham of THX.

Q: How do you set the right limits?

Laurie: What is reasonable from a manufacturing point of view? Measure what it does or how it is made. If they put the right parts together and the parts are within spec (say, of a crossover), then the final product will come out within spec. Engineers are not trained to set the proper limits. Bell Telephone needed 0.1dB tolerances for repeaters—and was successful, back in the 1930s. See how they did it. We measured everything. If you don't understand how the system varies with component variation, go back and understand.

Summary

There was a lot of hard won, good advice at this lecture from an excellent panel. Because the era of easy and cheap expansion of the Chinese industrial base is over due to rising prices for everything in China (labor, electricity, copper, steel, and so on), manufacturers and governments there will be faced with stark strategic choices about how best to prosper in the second phase of market-based Chinese economic growth. It is likely that some vendors will not change anything, and continue to struggle. It is also true that some of the more far-sighted firms will attempt to improve the way they build products from a systems perspective—building quality in. Those firms that are successful can add more value to their foreign customers' designs, not just surviving, but prospering in this second stage of development—despite rising prices and an appreciating currency.

Barring political and social disorder, the cream of these firms may build the foundation for a third stage of modern Chinese economic expansion. Quality domestic manufacturing may execute a Chinese-based design, sold under a Chinese brand, to the large domestic as well as foreign market. This may power an emerging wave of firms that will go on a global offensive, at first working with, and then displacing long established European, American, and Japanese brands. American multinationals did this to complacent European firms in the 1960s. Japanese firms did this to American firms in the 1980s, for example, with Toyota displacing GM in autos.

Lenovo was the first, buying out its blue-chip US customer, IBM's ThinkPad (laptop) division. If the Chinese are able to take the high road, and build quality products that customers actually want to buy, the Lenovo deal will not be seen as an aberration, but the first of many in a very different and far more competitive world. It is a never-ending dynamic—behind the Chinese will come Indian firms, especially in software, and smaller players such as Vietnam, fueled by Taiwanese investment. Those firms that take the hard path of quality will live long and prosper, regardless of which country they may be from.

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