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5 Ways to Cut Costs Without Sacrificing Quality

Insights for procurement teams in construction, agriculture, and industrial machinery

Cutting costs doesn't have to mean cutting corners!

In today's procurement environment, you're being asked to deliver more with less — lower prices, shorter lead times, and higher quality. But what if reducing costs didn't mean compromising on what matters most — performance, reliability, and long-term value?

This guide explores 5 practical and proven strategies that companies in the construction, agriculture, and industrial machinery sectors have used to stay competitive, agile, and efficient — all without sacrificing quality. These approaches are based on real collaborations with Hengli Metal GmbH, where we've helped European clients improve both their bottom line and their operational stability.

Each chapter provides a tactical insight, a real-world example, and a key takeaway for your team.

5 Key Strategies:

1. Optimize Design for Manufacturing (DFM)
2. Source Globally, Manage Locally
3. Leverage Volume with Smart MOQ Planning
4. Use Pre-Assembly and Modular Welded Groups
5. Secure Predictable Supply Through EU Warehousing

Read on to discover how you can unlock these cost-saving levers — and gain a reliable partner who supports your procurement goals with flexibility and technical know-how.

1. Optimize Design for Manufacturing (DFM)

Why it matters:

The best opportunities for cost reduction often lie hidden in the early design phase. By reviewing the design through a manufacturing lens, it becomes possible to eliminate redundant welds, reduce part counts, and minimize post-processing — without altering the functionality or durability of the final product.

Example:

A forklift OEM sent us a complex bracket requiring 12 weld seams and several manual deburring steps. We proposed a redesign using precision bending instead of welding, reducing the number of weld seams to four and simplifying the geometry. The result: same structural strength, 22% lower cost, 35% faster production, and improved surface finish.

Your takeaway:

Collaborate with your suppliers early in the development cycle. Even small design changes —



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suggested by those who build the parts — can yield significant savings without sacrificing mechanical integrity or compliance.

2. Source Globally, Manage Locally

Why it matters:

Sourcing from low-cost regions like China or Southeast Asia offers attractive unit prices, but it introduces complexity in communication, logistics, and quality control. Managing this supply chain from within Europe bridges that gap — combining global competitiveness with local accountability.

Example:

A construction equipment manufacturer previously sourced directly from Asia. Despite cost advantages, they struggled with inconsistent quality, language barriers, and slow responsiveness. After switching to Hengli, they retained Asian pricing — but gained European project management, fluent communication, and a single point of contact for all escalations.

Your takeaway:

Global sourcing works best when it's supported by a partner who speaks your language — literally and logistically.

3. Leverage Volume with Smart MOQ Planning

Why it matters:

MOQ (Minimum Order Quantity) isn't just a purchasing metric — it's a powerful lever for cost optimization. By aligning purchasing quantities with production batch sizes, packaging efficiencies, and shipping methods, you can reduce costs per part while maintaining or improving delivery flexibility.

Example:

An agri-machinery client purchased 8 different components in small, fragmented lots. Together we reviewed historical usage and demand variability. As a result, we consolidated shipments into fewer batches, negotiated better freight terms, and introduced rolling forecasts. Their per-unit costs fell by 18%, and Hengli assumed storage responsibility for selected parts within the EU.

Your takeaway:

Working closely with suppliers on volume and delivery rhythm can yield much more than just better pricing — it can strengthen the entire procurement strategy.

4. Use Pre-Assembly and Modular Welded Groups

Why it matters:

Every assembly step you outsource can reduce your in-house labor, complexity, and risk. Letting your supplier handle welding, coating, bushing installation or partial assembly can streamline your production — especially when capacity is tight or labor is expensive.



Example:

A wind turbine manufacturer initially sourced flat metal parts and performed all welding and coating in-house. We proposed delivering fully welded, surface-treated assemblies — including pre-installed bushings and laser-marking. This reduced their internal handling time by 70% and allowed them to shift skilled labor to higher-value tasks.

Your takeaway:

Think beyond components — look for module-level suppliers who deliver value through integration, not just price.

5. Secure Predictable Supply Through EU Warehousing

Why it matters:

With global logistics under pressure, having predictable access to critical components is essential. A local buffer stock in Europe mitigates the risks of ocean delays, customs clearance issues, or global disruptions — without overloading your own warehouse.

Example:

A client in the construction sector experienced repeated delays due to shipping congestion. We implemented a flexible buffer stock in our European warehouse, replenished monthly from our Asian factory. Even during major port disruptions, they maintained uninterrupted production and avoided costly downtime.

Your takeaway:

Strategic warehousing isn't just about speed — it's about continuity, resilience, and peace of mind.



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About Hengli Metal GmbH

Hengli Metal GmbH is your strategic partner for tailor-made welded assemblies and precision sheet metal components. As part of a global manufacturing group with over 1,200 employees and an annual turnover exceeding €150 million, we bring together the efficiency of large-scale production in Asia with the reliability, service, and communication of a European-based sales and support team.

Located in Hamburg, Germany, we are fully integrated into the production process — providing fast quoting, German-language support, on-site technical advice, and full quality control management. We bridge the gap between European standards and global sourcing.

Hengli specializes in delivering:

- Welded assemblies from laser-cut and bent sheet metal, including robotic and manual welding
- Surface treatments such as EPD, powder coating, galvanizing, and more
- CNC-machined components, bushings, and pressed parts
- Pre-assembled modules tailored to your production line needs

We serve OEMs and Tier 1 suppliers across a wide range of sectors:

- Forklifts and intralogistics machinery
- Construction and road-building equipment
- Agricultural machinery and attachments
- Mining and forestry machinery
- Wind energy and other industrial sectors

With a dedicated European warehouse and flexible production capacity in Asia and alternative locations, we provide secure, cost-effective, and scalable supply chain solutions. Whether you're looking to cut costs, optimize lead times, or streamline your assembly process, Hengli Metal is equipped to deliver consistent value — now and in the future.

Did we spark your interest?

Want to explore how Hengli could support your supply chain goals?

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