Global Distributed Manufacturing of Personalized Products as a Service

Albert J. Shih

Professor

Mechanical Engineering, Biomedical Engineering, Institute of Gerontology

University of Michigan at Ann Arbor



Goal

Convince the selection committee this idea deserves \$20M to \$30M of research investment.

<u>Return on Investment:</u> 10x: \$200M-\$300M Revenue / Year

Goal

Convince the selection committee this idea deserves \$20M to \$30M of research investment.

<u>Targeted Return on Investment of this</u> <u>Blue Sky Vision:</u> 10x: \$200M-\$300M Revenue / Year **100x: \$2B-\$3B Revenue / Year**

My Blue Sky Vision:

(or a company like **amazon** builds the **"Global Distributed Manufacturing of Personalized Products as a Service**" in their operations.

I pick amazon because of their "culture".

Amazon Culture: Zero Net Income



https://www.nasdaq.com/article/steven-cohen-slashes-facebook-amazon-others-in-prolific-selling-cm302230



Motto

- Work Hard, Have Fun, Make History
- Always Day 1

Compensation

- 40% paid by Amazon stocks
- 2% before-tax company matching to employee's retirement fund

Presentation/Reporting

- No PPT
- 6-page report format (similar to old NAMRC 8page paper)



Motto

- Work Hard, Have Fun, Make History
- Always Day 1



There's so much stuff that has yet to be invented. There's so much new that's going to happen. People don't have any idea yet how impactful the internet is going to be and that this is still <u>Day 1</u> in such a big way.

"*Day 2 is decline followed by death*. *That is why it is always Day 1*."

Jeff Bezos, Amazon



Compensation

- 40% paid by Amazon stocks
- 2% before-tax company matching to employee's retirement fund





In the past – NAMRC paper was limited to 8-page

Presentation/Reporting

- No PPT
- 6-page report format (similar to old NAMRC 8-page paper)

Top 25 Private Employers in the US in 2016

1	Walmart	2,300,000
2	Amazon	541,900
3	Kroger	443,000
4	Yum! Brands	420,000
5	The Home Depot	406,000
6	IBM	380,000
7	McDonald's	375,000
8	Berkshire Hathaway	367,700
9	FedEx	335,767
10	UPS	335,520
11	Target Corporation	323,000
12	Walgreens	300,000
13	General Electric	295,000

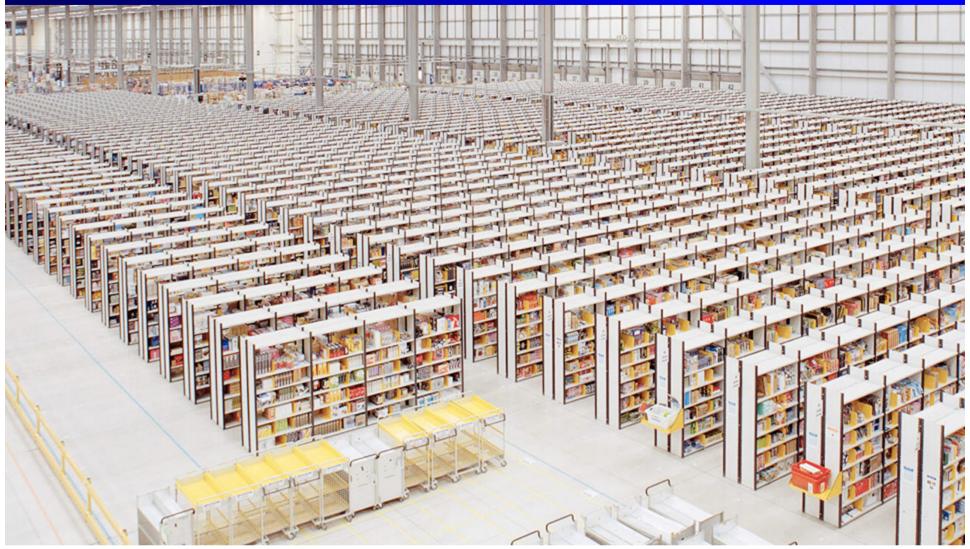
14	Albertsons	273,000
15	Wells Fargo	269,100
16	AT&T	268,540
17	PepsiCo	264,000
18	Cognizant Technology	260,200
19	Starbucks	254,000
20	Deloitte	244,400
21	J.P. Morgan Chase	243,355
22	Lowe's	240,000
23	TJX	235,000
24	Ernst & Young	231,000
25	UnitedHealth Group	230,000

https://en.wikipedia.org/wiki/List_of_largest_employers_in_the_United_States

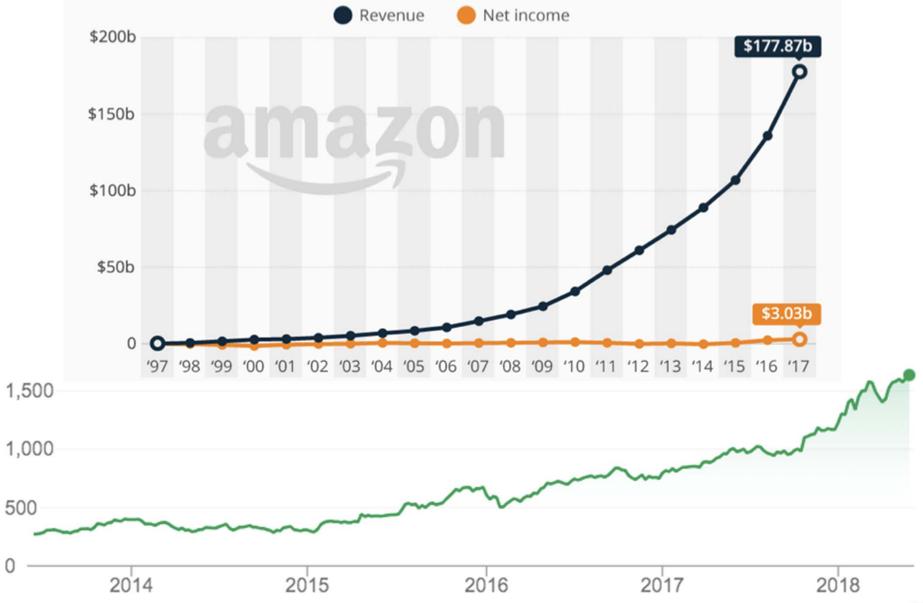
Amazon's Massive Fulfillment Center



Amazon's Massive Fulfillment Center



Amazon in 2018



Top 50 Private Employers in the US in 2016

1	Walmart	2,300,000	14	Albertsons	273,000		
2	Amazon	541,900	15	Wells Fargo	269,100		
3	Kroger	443,000	16	AT&T	268,540		
4					00		
5					00		
6	Number of employees of Amazon in 2017						
7							
8							
9	566,000						
10					00		
11	Target Corporation	323,000	24	Ernst & Young	231,000		
12	Walgreens	300,000	25	UnitedHealth Group	230,000		
13	General Electric	295,000					

https://en.wikipedia.org/wiki/List_of_largest_employers_in_the_United_States

My Blue Sky Vision: \$2B-\$3B of the revenue in amazon is from the "Global Distributed Manufacturing of Personalized Products as a Service"



Amazon is looking for new ways to "make history"

My Plan to Reach this Blue Sky Vision

amazon as a NSF GOALI partner in manufacturing

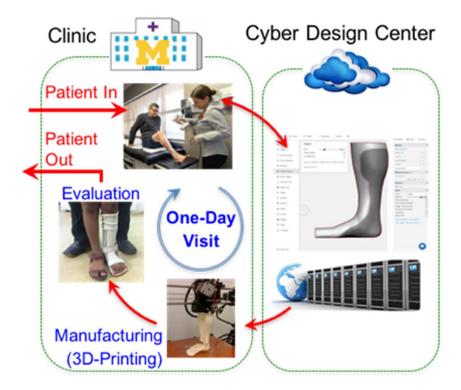
Examples and **Blue Sky Visions** in Three Levels:

Level #1: Local Level #2: National Level #3: Global

Level #1: Local

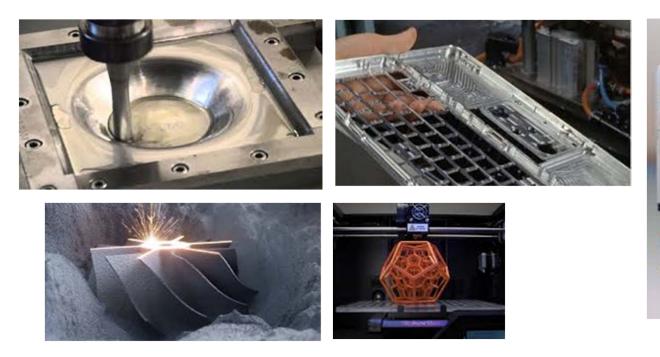
Example: Manufacturing in the Univ of Michigan Hospital

- For over 100 years, the Univ of Michigan Hospital makes assistive devices in house for trauma patients with quick-turn-around-time and personalized fit.
- The current plaster molding based manufacturing is changing to the cyber-based design and additive manufacturing (AM) for custom assistive devices.
- <u>not</u> an easy task still a R&D project.



Level #1: Local – My Blue Sky Vision

- Integration of "advanced" manufacturing processes (additive, subtractive, incremental forming, flexible polishing, …) and cyber-manufacturing systems
- Design for manufacturing of personalized products





Level #1: Local – My Blue Sky Vision amazon Manufacturing of Personalized Products

- Books: Print- and **Bind-on-demand**
- T-shirts / hats :



Steven Y Liang - Albert J. Shih Analysis of Machining and Machine 0015



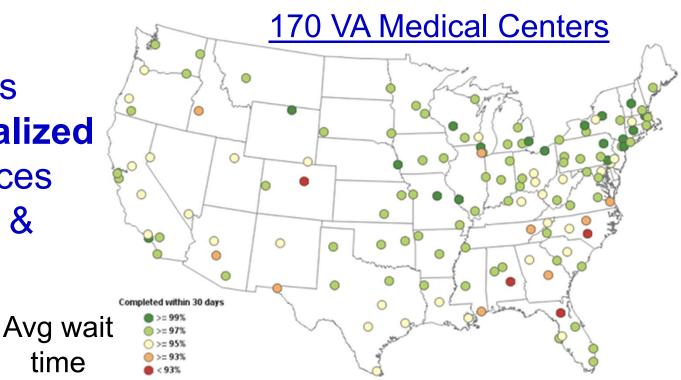


 Garden tools: Amazon has the big data to determine "what", "when" and "where" to make these personalized products

Level #2: National – Example Veteran Affairs (VA) Medical Centers

VA is the largest health care provider in the US – 170 VA Medical Centers for 9 million enrolled veterans.

Many veterans need **personalized** assistive devices (e.g. orthotics & prosthetics)



https://blogs.sas.com/content/sastraining/2015/04/17/analyzing-wait-times-at-va-health-care-facilities/

Level #2: National – Example VA National 3D Printing Network

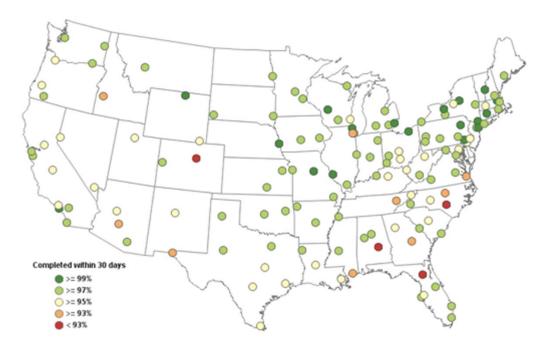
12 VA Medical Centers in the US has formed the VA National 3D Printing Network (VA3DN)



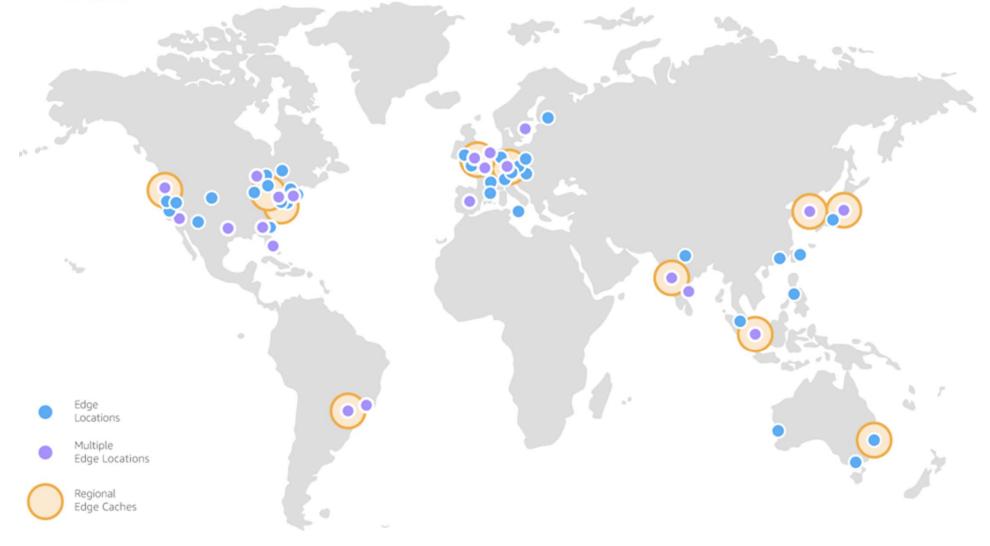
According to Dr. Beth Ripley (PI), VA3DN needs the manufacturing engineering support.

Level #2: National – My Blue Sky Vision Create the "VA Cyber Manufacturing Service Center"

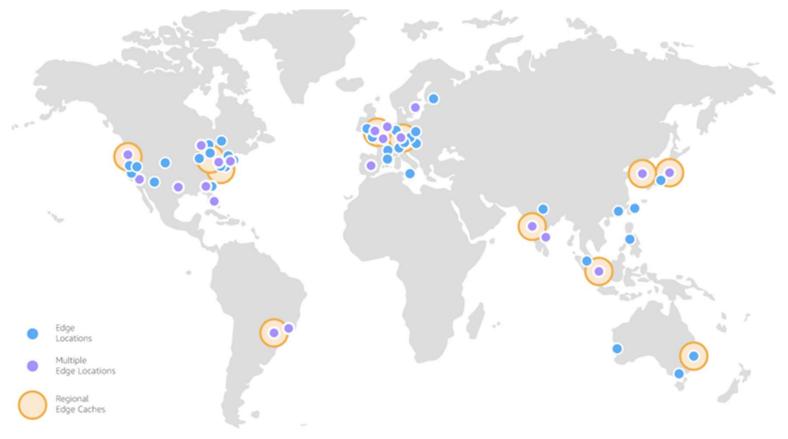
This VA Cyber Manufacturing Service Center will provide the cyber design and manufacturing service for personalized assistive devices to all 170 VA Medical Centers in the US.



Level #3: Global – Example amazon Cloud-Front Global Locations



Level #3: Global – My Blue Sky Vision #1 amazon builds the *Manufacturing as a Service* (MaaS) of Personalized Products in Global Operations



Level #3: Global – My Blue Sky Vision #2 DoD Makes "Custom" Products in Military Bases and Hospitals Worldwide



https://www.quora.com/Why-does-the-United-States-need-900-military-bases-around-the-world

Concluding Remark: This is an Open Blue Sky Vision

All other Blue Sky ideas can partner with this vision:

- Manufacturing and Mass Customization using Voxelscale Engineering Methods
- 3D Printing for Civil Infrastructure Construction
- Personalized Manufacturing: Psychology and Sociology as Fundamental Design Elements in Future Advanced Production Systems
- Metamorphic Manufacturing: The Third Wave in Digital Manufacturing
- Just-in-Time Learning for the Factory Floor
- Distributed Decentralized Rural Agile Manufacturing
- FACTORIES-IN-SPACE

Thank You

and Tribute to Dave

