



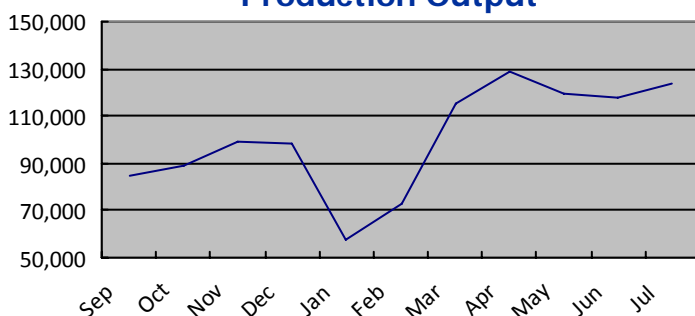
Capacity Building

Factories in China often have serious problems with their production efficiency. It is difficult to find serious management in China, and factories often employ inexperienced managers who were hired for nepotistic reasons. Whether inefficiencies exist because of poor production planning, excessive waste, incorrect distribution of workers, or any of a multitude of potential root causes, Fusion has the expertise necessary to improve operations and grow capacity.

One of Fusion's recent factory clients wanted to improve their capacity significantly without increasing labor costs. One of their key customers was interested in increasing their order quantity, but the factory was unable to build their capacity enough on their own. When Fusion started consulting services in September 2009, the factory produced just under 85,000 units per month, with 408 workers. After 10 months with Fusion, the factory's monthly output raised 46% to over 124,000 units, with 378 workers. In addition, throughout the consulting period overtime hours worked also decreased, providing an additional cost reduction for the factory. Fusion's factory client was able to pick up many more orders from their customers, which greatly improved their profitability.

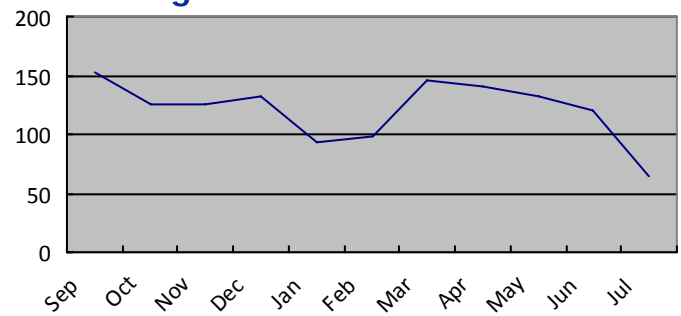
	Sep 2009	Oct 2009	Nov 2009	Dec 2009	Jan 2010	Feb 2010	Mar 2010	Apr 2010	May 2010	Jun 2010	Jul 2010	% Change Sep '09 - Jul '10
Production Output (See Graph 1)	84864	89364	99172	97948	57399	72541	115531	128907	119751	117458	124152	+ 46%
# of Workers	405	405	410	395	376	390	396	413	407	407	378	- 6.7%
Average Output per Worker	210	221	242	248	153	186	292	312	294	289	328	+ 56%
Average OT Hours per Worker per Month	153	126	125	133	93	98	145	140	133	121	65	- 57%

Production Output



2009 - 2010

Average OT Hours / Worker / Month



2009 - 2010