

Price does not equal Cost

The price is what it takes to purchase the item.
The cost is the amount you will eventually pay.
They are not the same.

Case Study: Laser Tag Coil Cord

Situation:

A company has the contract to provide and service laser tag game equipment to arenas across the United States. The coil cord that connects the laser gun to the sensitized body armor becomes hyperextended and will not return to the correct shape. In addition, the ends pull off easily under the rugged use of action-packed players (usually 10-year-old boys). Warranty costs are a huge problem.

A company representative says that although the Chinese price is low (\$4), he is required to purchase huge minimum quantities (far more than he needs) and he must pay in advance. To make matters worse, the coil cords he has received from overseas are made of inferior materials that do not match the specs or drawings.



China-Made Cheap Coil Cord

Solution:

A company representative called Carrio Cabling to see what we could do. We told him we could not begin to compete with the Chinese price, because it was less than our cost of materials if we built the cords according to his drawings and specs. He asked us to move ahead and offer ideas to solve his problems.



Carrio Cabling Money-Saving Coil Cord

We re-engineered the coil cord design so that the cord will perform correctly and withstand extreme abuse. Our price is a little less than \$10 per cord in the smaller quantities that the company really needs.

Carrio is now making coil cords for this company. Although our per-cord price is higher than the overseas price, the company is *saving* money because our coil cord is much stronger, which has translated into fewer cords being used each year and significant reductions in warranty costs.

**Carrio Cabling designs it right, builds it strong, and saves you money.
Made in the U.S.A. What more could you want?**