

# CASE STUDY: **Waterlogic**



“The new factory and headquarters will allow us to continue our growth in the US and provide even better, more responsive customer services. Additionally, we believe having a product assembled in America by US workers provides us with a competitive advantage over many other products. It is our intent to continue to add local resources to our supply chain as we begin to manufacture more and more products in Texas. We will also add a Research and Development team to bring US ingenuity to Waterlogic’s ongoing commitment to leading the industry in bottle-less water innovation.”

*Casey Taylor, CEO Waterlogic USA*

## Waterlogic systems provide more than 50 million people with clean drinking water every day.

Do you fill up your water bottle in the break room, the airport, or at your refrigerator from a water dispenser? Have you considered how clean or pure that water truly is? Many water fill stations use a carbon filter somewhere behind the dispenser nozzle, but by the time the water reaches your bottle or glass, it has already been re-contaminated with bacteria. It’s the final inches of the delivery system that is the problem.

Waterlogic’s filtration system employs a breakthrough UVC purification technology that acts at the final dispensing point, in addition to carbon filtering. The result is extremely pure water that is dispensed 99.9999% bacteria-free.

With high demand for this new product technology in the U.S., Waterlogic, a UK company, embarked on a journey to establish a manufacturing site in America. This is the story of their journey.



# ABOUT WATERLOGIC

Waterlogic was founded in the United Kingdom in 1992, with the mission “To be the best global provider of excellent drinking water solutions to all businesses.” Waterlogic was one of the first companies to introduce point-of-use (POU) water disbursement systems in the European market and quickly became a leader in design and innovation in drinking water purification. The company expanded quickly and launched in the USA in 1999. Today, Waterlogic products are sold in more than 55 countries. There are currently more than 1.2 million Waterlogic dispensing units in use worldwide and those systems provide more than 50 million people with clean drinking water every day.

## SAVING BUSINESSES UP TO 70% AND SAVING THE PLANET

Waterlogic’s products offer many distinct advantages for customers. Waterlogic’s water dispensing systems are cost effective, eliminating the need for both bottled water and single-use plastics. With Waterlogic’s highly efficient systems, companies pay only a small monthly fee and their public water bill. Adding a Waterlogic system can save a business up to 70% when compared to purchasing single-use plastic bottles.

Waterlogic systems are also responsible for the reduction of 23.8 billion single use plastic bottles each year and can reduce a business’ carbon footprint by as much as 72% when compared to purchasing single-use plastic bottles. Additionally, Waterlogic products ensure that users are receiving the highest quality, safest water available. Waterlogic’s suite of advanced technologies have been certified as producing 99.9999% pure water, among the highest marks in the world.



## THE WATERLOGIC RESHORING JOURNEY

In late 2018, Waterlogic approached the Reshoring Institute in need of help with selecting a U.S. manufacturing location. Waterlogic was interested in developing a manufacturing capability in the United States apart from its main factory in China. At the time, the U.S. market accounted for 40% of Waterlogic’s sales volume, and the company wanted to manufacture its products in the U.S to better serve the U.S. market. Additionally, because of its growth, Waterlogic needed to increase its global production capacity. A U.S. based manufacturing facility would allow Waterlogic to have a quicker time to market to serve American customers, while also boosting global production capacity and supercharging innovation capabilities.

Waterlogic’s top criteria in choosing a new manufacturing location were:

- Access to a large, diverse, skilled and affordable labor pool
- Availability of suitable buildings for manufacturing
- A favorable business environment with tax and other incentives
- Good quality of life for employees, including reasonable cost of living and educational infrastructure
- A robust transportation and distribution network
- Local universities with strong water engineering programs

Waterlogic evaluated six potential U.S. locations through the use of a complex scoring model. The team evaluated each city on more than 30 dimensions and eventually selected the Dallas/Fort Worth Metroplex. Waterlogic chose the Dallas/Fort Worth because of its central location within the United States, its large, diverse labor pool, its world-class international airport, and the availability of suitable manufacturing sites.



## Casey Taylor, CEO of Waterlogic USA described the reasons for selecting the Dallas-Fort Worth Metroplex:

*"With Waterlogic's tremendous growth in the United States over the last several years, establishing a US factory made great sense. After a national search looking at hundreds of potential sites, Dallas-Fort Worth made the most sense for numerous reasons, including a vast and diverse labor force, attractive cost of living, central location with tremendous distribution resources for land, sea, or air, and great partnerships with local and state government. Once the decision was made to establish the factory in Texas, it became obvious, for all of the same reasons, that we should also establish our US Headquarters alongside the factory. We are already reaping the rewards of having our entire leadership and the bulk of our customer support in one building."*

## DALLAS MANUFACTURING FACILITY:

Waterlogic opened a 111,000 square foot facility in early 2020 in the Dallas suburb of Grapevine. The facility is now the hub of Waterlogic's North American operations and will provide a solid foundation for growth in the North American market.

The facility will soon house all assembly, quality control, testing, wet testing, and packaging operations for products sold to U.S. businesses. Products will be labeled "Assembled in USA". The new facility will also become the innovation hub for the company with advanced engineering and design teams.

The State of Texas and the City of Grapevine welcomed Waterlogic with open arms because of Waterlogic's "clean" manufacturing and technologically advanced products, as well as the potential of hiring up to 200 people. The State of Texas provided incentives to help Waterlogic make a favorable decision to locate in the state.



## BUILDING AN AMERICAN SUPPLY CHAIN:

Waterlogic is on a path to developing new suppliers in the U.S. Building an American supply chain will take time and effort as suppliers learn how to produce Waterlogic products at competitive prices. This is a non-trivial task that is expected to take 12-18 months. Once an American supply base is established, Waterlogic will benefit from lower logistics costs and rapid innovation response.

# ABOUT THE AUTHOR

Ryan Edwards is currently pursuing a Master of Business Administration degree with a Consulting Concentration and Data Analytics Certificate at Texas Christian University. He is a graduate of the University of Texas at Austin where he earned a Bachelor of Science degree in Sport Management with a minor in Business Foundations. He is working towards a career in consulting where he can unite his love of problem-solving and his passion for data-driven decision-making. He expects to graduate in May 2021.



# ABOUT THE RESHORING INSTITUTE

## Our Mission

We provide information, research and support for companies trying to Reshore manufacturing. This includes topics such as site selection, tax incentives, science and math education, marketing, public relations, cost comparison development and case studies.

[www.ReshoringInstitute.org](http://www.ReshoringInstitute.org)

