

Samsung may make India a hub for US

May Shift Part Of Phone Mfg From Vietnam If Trump's Tariffs Become Lower Here: Choi

Pankaj.Doval@timesofindia.com

New York: Samsung is ready to shift a part of its smartphone production from Vietnam, if US tariffs become lower in India. This would see the world's biggest smartphone maker following American rival Apple in making India a top hub for making smartphones for the US market.

"Samsung has production presence in several countries. Uncertainty in the US is currently very high and because of that we have been preparing against a number of different scenarios. We are ready to produce for the US from multiple factories, including India," Samsung's global president and chief operating officer (mobile eXperience division) Won-Joon Choi said on the sidelines of the company's global launch of Galaxy Fold7 (priced upwards of Rs 1.75 lakh) and Flip7 (Rs 1.1 lakh) devices here. "We are already manufacturing some of the smartphones that are going to the US at our factory in India."

He said the company has been watching US president Donald Trump's tariff announcements carefully and this can lead to change in sourcing across global factories. "One of the things that we have prepared was to have diversification of our factories for the product we will ship to the US. Depending on the final decision by the Trump administration, we have already established a system in which we can shift from one (location) to another to respond to the final decision more flexibly."

Samsung has large production hubs in India as well as Vietnam. While the India factory, at Greater Noida in Uttar Pradesh, is used largely to meet domestic demand apart from exports, the Vietnam location is primarily

achieve business stability and provide price stability to our consumers," Choi said.

He said situation in the US remains uncertain, and the company has been analysing the situation very carefully. "Some of the things that we



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used for export needs.

The US is Vietnam's largest export market and there are indications that Hanoi may be given a comfortable 20% tariff for shipments to the US. India has also been seeking lower duty for electronics exports to the US, which are led by multi-billion-dollar iPhone shipments, Samsung's devices, and other telecom players.

Tim Cook, Global CEO of Apple, said in the company's last earnings call that he envisions India emerging as the global hub for manufacturing iPhones for America's requirements.

Samsung has been taking steps to ensure that optimised sourcing and production schedules lead to business and price stability for consumers. "Even without taking the tariff situation in consideration, we operate with multiple factories across the globe and we have always tried to optimise our operations as efficiently as possible so that we

need to plan — set the right equipment, set the factory line ready, and get our factory to be certified so that we can make the products and ship to the US. We have all those things ready." We are already manufacturing some of the smartphones that are going to the US at our India factory

Speaking about impact from restrictions placed on rare earth minerals from China, he said the company is prepared to handle such situations. "Samsung has long been managing its global supply chain, preparing for different cases. We have long been trying to diversify our global supply chain, so even for the rare earth metals, we have been trying to source from different companies and different countries. We have long been seeking diversification so I can tell you that for the near-term, there has been no production disruptions."

(The correspondent is in US at the invitation of Samsung)