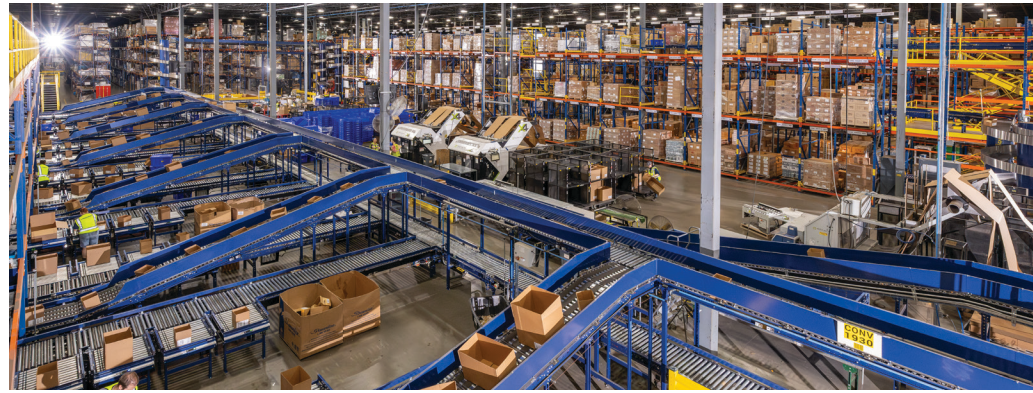


CUSTOMER CASE STUDY

# Creation of a National Inventory & Supply Chain Management Process

National



## PROJECT OVERVIEW

### CUSTOMER:

US-based aerospace industry leader

### LOCATION:

National

### PRODUCT / SOLUTIONS:

Creation of a national inventory and supply chain management process

### CHALLENGE:

A lack of supply chain processes and technology caused large, difficult-to-manage inventory and a disconnect between procurement strategy and inventory, leading to increased costs.

### SOLUTION:

Unified supply chain management software was implemented at all manufacturing locations nationwide, standardizing the procurement and inventory management processes.

### KEY RESULTS

- 12% Total Cost of Ownership savings in the first year
- Lower product costs
- Decreased inventory investment
- Improved procurement life cycle
- Inventory sharing capabilities
- Automated key performance indicators reported monthly and the location and national level

## **PROJECT SCOPE**

The customer utilized our Integrated Supply team to identify problems and provide a unified solution that would reduce costs and organize procurement processes and inventory. We implemented ASP, a proprietary purchasing and inventory management system, to standardize all manufacturing locations nationwide.

## **CHALLENGE**

This customer had 22 manufacturing locations that each managed procurement strategy and inventory separately. They used multiple supply chain software platforms, had many different distributors for product needs, and had no visibility to the products and processes that the other manufacturing facilities were using. The lack of supply chain processes and technology led to large, difficult-to-manage inventories with lots of non-moving products, and a reactive procurement group forced to expedite materials through distribution.

## **METHOD**

Our ASP Supply Chain Management software was implemented at all 22 manufacturing locations, standardizing the procurement and inventory management processes across all locations. It created a national strategy of inventory management where the right products were in inventory, and inventory could be shared across all locations. The ASP software allowed the customer to proactively negotiate their requirements directly with manufacturers and standardize products and processes across all their locations.

## **THE FERGUSON INDUSTRIAL DIFFERENCE**

Ferguson was the only company with the centralized resources and the financial capital to implement 22 locations quickly and efficiently. Ferguson has a dedicated implementation team with 30 plus years of experience, coast to coast capabilities, empowered management structure, and the creation of a single point of contact as opposed to working with multiple geographical management processes. Ferguson also had the capital ready to own and consign material at all 22 locations and hire dedicated associates to start working for the customer right away before the spend was fully materialized.

Ferguson Integrated Supply provides a dedicated team for experienced sourcing, improved processes and increased uptime. This generates savings and value for customers through expert integrated supply solutions. Unlike other traditional storeroom management services, we provide a consultative approach. As a result, we uncover the right solutions for each customer's organization. Our customized solutions offer a measurable competitive advantage from simple pick, pack, and ship operations to comprehensive Supply Chain Management.