

# CUSTOMER CASE STUDY

## JUST IN TIME (JIT) INVENTORY MANAGEMENT SERVICES



### THE STORY

A strategic Wesco customer that manufactures aircraft components was experiencing difficulty with inventory management of its hardware. Forecasting, inventory carrying costs, storage, and tracking of critical parts were not meeting industry benchmarks; furthermore, the customer felt its approach was hindering its competitive advantage.

### BUSINESS CHALLENGE

The customer wanted to reduce its cost of inventory, free up cash flow, consolidate its supplier base, and improve its inventory management performance.

### WESCO SOLUTION

Wesco's Just-In-Time Inventory Management Services provided process discipline and infrastructure that delivered continuous improvement to the customer's operations. Hardware product supply and replenishment to the shop floor ensured a smooth flow of materials at the right quantities, which minimized shop floor storage footprint and greatly reduced stock-outs.

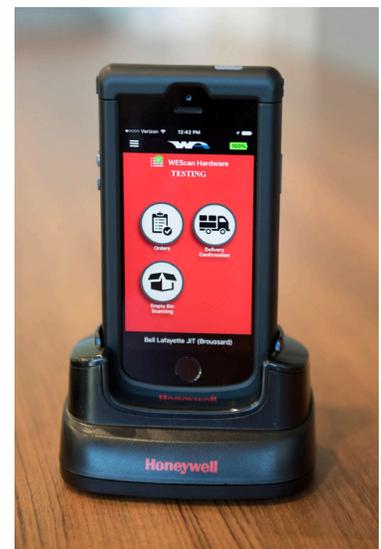
Wesco used proprietary smartphone scanners, inventory planning tools, and software solutions to collect usage data at the point-of-use, track consumption, manage expirations, and automatically initiate replenishment. This innovation provided continuous data visibility to enable more robust forecasting and purchasing spend.

Wesco's services consolidated the customer's spend, provided one monthly invoice that spanned a wide range of product suppliers, and significantly reduced capital carrying costs at each manufacturing site. The automatic invoicing and tailored reporting monitored operations, which increased stock turnover.

### RESULTS

Wesco's integrated solution provided notable cost savings and efficiencies for the customer:

- 44% reduction in inventory carrying costs
- Improved stock turn
- No shortages or lines down
- 95% OTD from suppliers (compared to 70% rating)
- 99.9% OTD to point-of-use (compared to 75% rating)
- 54% reduction in required staffing, enabling redirection of resources to higher value activities
- Improved quality and reduced obsolete and damaged inventory
- Increased floor space



Wesco's proprietary smartphone scanners enabled better inventory control, forecasting and planning by tracking inventory at the point-of-use.