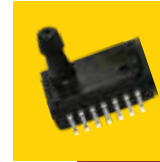


# Global Supply Chain Solutions

## Success Story #10



### Executive Summary

A €1.4 billion global manufacturing company faced challenges in cost reduction and supply chain optimization. TTI implemented a comprehensive solution that resulted from portfolio analysis, risk reduction, replenishment solutions, and efficient warehousing. The implementation led to increased transparency, reduced waste along the supply chain, improved process quality, and optimal part availability. The result was a significant cost saving of €780,000 per year.

### The Challenge

The primary challenge faced by the company was cost reduction. They had some logistic solutions in place with a few automated steps in procurement, however the receiving process was complex and largely manual. The goal was to optimize inventory and establish an efficient logistic system for optimal part availability.

### Solution

After performing an in-depth assessment five key initiatives were identified to achieve the greatest short-term impact.

- Portfolios were performed on part number levels to find the best fitting demand fulfillment solution
- A FMEA analysis was performed to reduce risk in the supply chain
- Four different logistic models were designed following a cost benefit analysis of all options.
- Findings were used to design a replenishment solution on part number level and a strategy selector including optimized economic order quantities
- Warehousing, labeling and optimal packaging solutions were implemented to reduce the process steps and ensure a fast material flow

### Results

- The implementation led to increased transparency in reservation strategy
- Improved availability of parts
- Improved flow by simple and efficient processes
- Improved process quality and stability
- Collaborative reviews ensure continuous improvement
- Cost savings with an improved economic lot size totaled €780,000 per year



**Contact your local TTI Supply Chain Team to arrange a supply chain logistics analysis:**

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Region | Europe

### The Company

The company is a global leader in the manufacturing industry specializing in the development, manufacturing, and marketing of sensors and controls technology for a variety of industries. Boasting a strong presence in over 150 countries with physical locations in 70 of them, the company employs 9,000 individuals, including 2,000 sales engineers. Annual revenue stands at €1.4 billion from customers as varied as assembly and robotics, automotive, material handling, metal forming, mobile equipment, plastics; and food and beverage.



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