



Case Study

A world leader in compressors, generators, construction and mining equipment, industrial tools and assembly systems, saw rapid growth demanding a makeover in SCM to meet the global challenges.

Client Challenge

To succeed in the face of rapidly expanding business – organic and inorganic – the client was looking for a drastic overhaul of their supply chain processes. Simultaneously, the aftermarket service needed to be more sustainable, dependable and scalable.

The priority was to cut cycle times for reduced cash to cash cycles, and lower inventory.

There was a definite need for world class facilities to manage the operations. All facilities had to be at par with global standards to cater to exponential increase in business volumes and customers expectations.

Spear Solution

Spear was instrumental in the development of world class facilities to serve various divisions as well as consolidation of the numerous smaller facilities to more efficient larger operations.

Spear invested and developed facilities with superior storage systems, material handling equipment, shelving and epoxy coated flooring. Apart from this, a state of the art training centre and a workshop for repairs has also been made available.

Enabled by Spear' Transport Management capabilities the client not only had an increased visibility into customer deliveries, but was effectively able to manage its resources.

Key Services Provided

- **FG Distribution** – Receipt, Inspection, Put Away, Kitting, Picking, Packing, Dispatch, Transport Management
- **Aftermarket Hub** – Receipt, Inspection, Put Away, Kitting, Picking, Packing, Dispatch, Expedited Orders, Reverse Logistics, Demo Management, Transport Management
- **Factory Distribution** – Receipt from production, packing and labeling, put away, picking to order, packing and dispatch
- **Factory Inbound** – Receipt from suppliers against PO, inspection and put away, release to factory as per production, kitting, factory deliveries

Key Benefits

Spear's Business Industrial Engineering team has reduced the average cycle time on orders to less than 16 hours from 30 + hours. This has directly led to reduction in inventory and a shorter cash to cash cycle, translating to direct monetary benefit for the client. The client's business grew exponentially.

By providing an increased accuracy of more than 99 percent on inventory and shipments Spear enabled higher availability and enhanced customer service. Moreover, the claims and shipment errors were reduced to less than 0.1 percent thereby reducing the cost of corrective action.

Summarized Highlights

Challenge

Improve supply chain performance by providing greater scalability, reduced cycle time and enabling efficient service delivery.

Solution

World class facilities to handle end-to-end storage and delivery requirements, enabling streamlined processes, efficient transport management and greater customer deliveries visibility.

Results

- Inventory Accuracy : 99% +
- Order to Available for same day shipping : 98%+
- Expedited Orders : 99%+
- Claims/ shipment errors reduced to less than 0.1%
- Reduced orders cycle time from 30 hours to less than 16 hours
- Shorter cash to cash cycles, greater monetary returns
- Reduced cost of corrective action
- Overall Space managed - more than 1,83,000 sq feet
- Partnership in its 9th year

For more information please contact us at

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