



Wholesale Distribution Case Study



Nireo Corporation, the leader in Spain in the distribution of hardware, was born from a union of seven of the largest wholesale distributors in the country.

Project & Objectives

In January 2003, the implementation of the ToolsGroup DPM solution began at one of Nireo's member companies. The objectives of this first implementation were to:

- Reduce inventory levels
- Improve customer service levels
- Provide the organization with a restocking optimization tool
- Provide good stock management, avoiding obsolescence

Another objective of the first project was to test the ease of system introduction and its adaptability to the business. It took just four months to implement the DPM system, integrate it with their transaction system, become operational and obtain the first results.

... Day to Day

The first DPM implementation managed more than 16,000 items in three warehouses, with hundreds of providers requiring long lead times, and a variety of products and markets.

Results & Benefits

In just four months, the first implementation obtained a 12% reduction in inventory and simultaneously increased customer service levels by 5%.

Based on this experience, DPM became the new platform for inventory optimization and management for the entire organization. In 2004, the different members began to progressively centralize their inventory and restocking.