



GALLEGO VILAR, S.A.

*Gallego Vilar is a leading company in the distribution construction materials and non-ferrous metals. A family company founded in 1925, it now has sales of more than €71.5 million and more than 3000 customers.*

***“Before implementing Service Optimizer 99+, we still had a high level of service, but the stock was being held hostage. Today we have optimised management of restocking based on scientific criteria.”***

***-César Motes,  
Logistics Manager,  
Gallego Vilar***

## Project & Objectives

The implementation of ToolsGroup's SO99+ at Gallego Vilar began in January of 2002. Their principal objectives were to:

- Reduce inventory levels while maintaining a 98% overall service level
- Provide an efficient tool for optimising and planning inventory
- Reduce stock obsolescence

SO99+ had to manage more than 50,000 SKUs with an extremely varied sale dynamic and a variety of products formats and markets. Moreover, Gallego Vilar has a complex sales circuit due to their different sales channels: construction works, workshops, distributors and capillary distribution.

## ... Day to Day

ToolsGroup's SO99+ was interfaced with their AS400 transactions system. It took just 6 months to implement the system, become operational, and to obtain the first results. With SO99+ it has been possible for Gallego Vilar to manage their wide distribution network and achieve qualitative and quantitative improvements.

## Results & Benefits

Within the first 6 months of the project, the first results were already evident:

- 14% reduction in stock
- Maintenance of a 98% global service level
- Project paid for in less than one year
- Improved inventory turnover of part families with large number of articles
- Reduction in stock obsolescence
- Reduction in manpower dedicated to replenishment planning

Gallego Vilar has fulfilled its objectives and achieved noticeable cost reductions, as well as optimises inventory and the replenishment process. Gallego Vilar also uses SO99+ to manage the different levels of corporate strategic planning.