



CUSTOMER STORY

Global Energy Company

Significantly improved service while reducing inventory.

Challenges

This global energy company wanted to start a project to improve product service levels and knew it would not be easy because they wanted a flexible solution that did not interfere with the systems the company was already using.

Industry

- Chemical

Solution

- Demand Forecasting & Planning
- Inventory Optimization
- Replenishment

Results

- Improved service level from 81% up to 97%
- Reduced inventory by 16%

Project & Objectives

The company was seeking to achieve customer service excellence (measured in order line fill rate). In addition, they wanted to obtain:

- Inventory reductions
- Efficient replenishment of their secondary warehouses from the central warehouse
- Precise input for manufacturing planning, MPS and MRP

SO99+ was introduced rapidly, achieving integration and co-functioning of several systems. The phases were:

- Quantitative analysis of the baseline situation, carrying out empirical tests and quantitatively analyzing the potential for desired improvements and savings.
- Alignment of SO99+'s parameters with the other manufacturing and materials management systems and systems interfacing
- Ongoing operation of SO99+

Day by Day

The planning team is now able to optimize more than 21,000 SKU-Locations in Lubricants and Paraffins divisions. One of the characteristics they most value is SO99+'s flexibility, which made integration with SAP and their other systems very straightforward, and also allows them to easily add new lines of business.

Results and Benefits

Having implemented the project with ToolsGroup, the company has achieved the following results:

- Service level improves from 81% up to 97%
- Reduction inventory by 16%

In addition, SO99+ enabled them to constantly maintain an optimal service policy, providing them with a reliable estimate of the cost required to fulfill any specified global service objective.