

Fortune 500 Manufacturer uses Just in Time Supplies to Reduce Inventory and Warehouse Space

THE SITUATION: A fortune 500 manufacturer wanted to grow their business by adding additional production lines but was unable to do so because of the limited space due to high inventory levels. In addition to the lack of space, the manufacturer discovered that there were numerous steps being taken to pull the labels from inventory, document multiple sets of data based on the batch, and to return them to inventory.

- Inventory reduction was required.
- Warehouse space was needed for additional production lines.
- Too much time being spent to pull, document and return inventory.
- Frequent design changes were causing obsolete inventory to be thrown away.

THE SOLUTION: AWT worked with the manufacturer to understand their production schedule and develop a system that would provide their labels on a just in time basis. The manufacturer would generate a notification of their production schedule needs multiple times a day and AWT would print and deliver the required labels within 48 hours of the notification of demand.

THE RESULT: The customer has been able to reduce their overall inventory and to eliminate the need for extra storage of their labels.

THE BOTTOM LINE:

- Product is delivered directly to the production floor.
- Reduced label inventory by more than 60%; providing more space for expanding their production lines.
- Reduced the administrative time of reviewing and placing orders by more than 50%.

