CASE STUDY: Manufacturing

Vendor-Managed Inventory Programs

Kanban Programs Increase Manufacturing Efficiencies and Provide Year-Over-Year Savings

Challenge

A major US manufacturer includes printed material with almost all products being distributed to customers around the world. The company needed a way to organize and coordinate the packaging and distribution process in order to reduce space and increase efficiency.

Specifically, the company was looking to:

- Reduce the amount of printed material inventory
- Reduce the amount of time spent by employees sorting and packaging printed material
- Create an accurate system for monitoring inventory and ordering material on demand

Solution

CCI implemented and currently manages multiple Kanban programs for the company's divisions across North America, lowering their Total Cost of Ownership. This Literature Kanban Project:

- Creates mobile literature storage within work cells
- Reduces literature inventory levels
- Allows CCI to monitor inventory, place orders, and deliver and stock literature storage units on the manufacturing floor, ensuring no stock outs
- Empowers the customer to electronically manage, order, and track their catalog of publications and non-publication fulfillment items maintained at CCI through a web-enabled document management program, U.Connect, 24 hours a day, 7 days a week.
- Reduces lead time for orders from ten days to daily

Results

By implementing the process improvements developed by CCI, the company was able to address employee needs on the manufacturing floor, increase efficiency, reduce costs associated with inventory, concentrate on their core business and experience significant cost savings year over year. Since 2002, CCI has provided the company an average year-over-year savings of 5% through vendor-managed inventory programs alone.

Challenge:

Organize and coordinate the packaging and distribution process of literature with product to reduce inventory space and increase efficiency.

Solution:

CCI implemented and manages Kanban programs at all plants across North America.

Results:

Increased ROI through:

- · Reduced inventory levels
- Reduced time spent by employees sorting & packing material
- Reduced lead times
- Year-over-year savings of at least 5%

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