

## What if you could...

...find an extra hour of maintenance time (worked hours) in your 4 hour overnight maintenance window, develop the roadmap to realize that additional hour, and do it all with safety in mind?

**With Proudfoot, you can.**

**THE CEO OF A DISTRIBUTOR** for a major home improvement chain wanted to achieve profitable growth. He felt the best way to do this was to develop a competitive advantage through efficient supply chain operations.

Installing a new operational structure to govern demand planning, procurement and order fulfillment was a top priority.

The CEO wanted to implement an operational structure to control demand planning, procurement and order fulfillment functions, but he knew it would be a challenge internally.

Complicating matters:

One of the company's key client relationships was in jeopardy, and required immediate action to retain the longstanding customer.

Attrition across the senior management team put a strain on remaining members. and impacted continuity.

The CEO decided the best way to accelerate the improvement initiatives was to partner with Proudfoot.



# Proudfoot PROOF POINTS

Logistics and Supply Chain  
Case Study

## A TRANSFORMATIONAL APPROACH

Working together with Proudfoot, the team:

- 1 Conducted cost/benefit analysis** to determine which distribution centers circulated the highest volume of products – the basis for the client's supply chain network design.
- 2 Analyzed outgoing shipments** to identify opportunities for order consolidation and route optimization. Elements of sales and operations planning (S&OP) allowed planners to accurately forecast demand to meet upcoming product launch and replenishment requirements.
- 3 Developed root cause and corrective action reports** to minimize supplier-related problems.
- 4 Equipped the newly designed network** to satisfy business requirements at the lowest operating cost.
- 5 Installed new processes** for better order management, behaviors and controls to expedite the fulfillment process.
- 6 Focused on S&OP to increase forecast accuracy** and the rate of product circulation from warehouse to consumer.
- 7**

## REMARKABLE RESULTS

**\$33.3M** reduction in **inventory costs**

**\$95.6M** in **identified benefits**

### Greater emphasis on sales and operations planning resulted in:

- increased forecast accuracy
- reduced amount of lost sales
- improved customer service
- higher margins
- Better inventory management and increased product circulation across the supply chain gave access to valuable working capital.
- The alignment of efficient order management processes with the right behaviors provided greater visibility over the delivery process and strengthened customer relations.
- The redesign and optimization of the logistics function played a significant role in minimizing operating costs.

# Proudfoot