

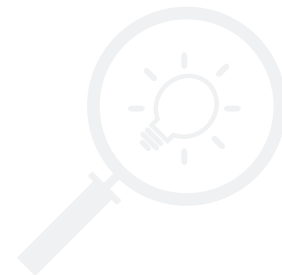


Unchaining Inventory

CASE STUDY

The world's largest
infrastructure company





The world's largest infrastructure company

Client Summary

"THE COMPANIE" is a subsidiary of the Siemens Corporation. They specialize in solar, electronics, power infrastructure, power stations, and trains. Their annual revenues are in the hundreds of millions of dollars.

The Challenge

In 2016, "THE COMPANIE" management decided to change its operational procedures in Israel to improve efficiency, while maintaining its commitment to both its clients (society) and its profitability. They asked IMS to assist in the process.

The IMS Advantage

Along with IMS' inventory management proficiency, IMS provides operational management experts in logistics and Business intelligence (BI). This includes:

- A professional team with 15 years of accumulated local as well as international experience forged at some of the best and most demanding companies in the world.
- Fast and efficient service with a high degree of responsiveness and attention to detail.
- Advanced Information Systems, especially the ability to integrate into customer's existing ERP and IT infrastructure.
- Managing thousands of suppliers all over the world.
- Ensuring regulatory compliance including environmental issues and hazmat permits.

Deployment of an Outsourcing "OneSource" Procedure for "THE COMPANIE"

The main parameters for using "OneSource" are:

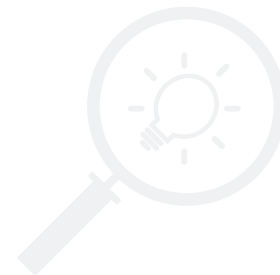
- One-time vendors
- One-time purchases –Ad-hoc purchasing (goods/services need to be provided ASAP) while the requested vendor is not open in SAP system
- The threshold is less than xEuro
- The 'end' supplier needs to align with Siemens procedures
- OneSource used as the gatekeeper for correct purchasing
- Siemens identified hundreds of low-tier suppliers as one-time purchases
- Consolidate the number of suppliers by shifting the scope under IMS' control under their "OneSource" Program
- Future reduction in supplier set-up for one-time purchases

IMS' Solution

When IMS took over the process they made sure they adhered to the Siemens DNA of both service to the community and maintaining a profitable business. After a detailed assessment, it became clear, in order to keep the same level of service, "THE COMPANIE" could not expand the number of vendors.

On the contrary, they would have to reduce it. Using IMS' know how and already established vendors network, IMS consolidated many items into "OneSource" vendors. Those vendors provided the majority of items for "THE COMPANIE" in Israel. Together with "THE COMPANIE" management they made sure the vendors adhered to technical specifications and quality standards of "THE COMPANIE". This exercise made it easier and simpler for internal "THE COMPANIE" customers to use the procurement process efficiently.

Lastly, integrating into Siemens' ERP system resulted in a seamless process that simplified the internal procurement for Siemens, increased cost savings, and improved response time.



Results

SKU – 2000

Suppliers – 600

Availability rates- improve from 80% to 95%

OTD (order to demand) - improve from 78% to 92%

Exception – reduction from 10% to 5%

Invoice from suppliers – reduce at 55%

Present Status

IMS is working with “THE COMPANIE” for more than five years.

IMS is engaging five different departments in “THE COMPANIE”

// Siemens and DSV IMS have enjoyed a successful collaboration over five years and across five departments. From both project and process perspectives, this collaboration is considered to be a success story.

Uri Spiegel, Supply Chain Manager, “THE COMPANIE” **//**

IMS Overview

Inventory Management Solutions (IMS) is a leading inventory management and supply chain solutions company established in 2004, with headquarters in Mesa, Arizona, USA.

IMS provides customized inventory management and supply chain solutions for manufacturing companies, that are designed to reduce cost, improve inventory turns, create free cash flow, and reduce the administrative burden of managing a supply chain.

IMS provides inventory solutions to small and large manufacturing companies in various industries including semiconductor, microelectronics, pharma, aerospace, and energy.

Our solutions allow the entire supply base to be consolidated and professionally managed, ensuring the right inventory is available at the right time at the right price.

IMS is a wholly owned subsidiary of DSV Global Transport and Logistics.



iMS

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Henry Larson - IMS | henry.larson@us.dsv.com

John Williams - IMS | John.Williams@us.dsv.com