unisource Logistics Solutions

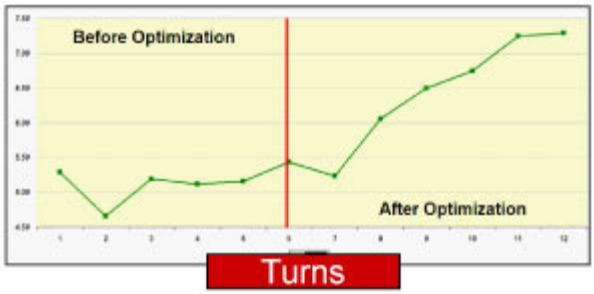
Case Study (Inventory Replenishment System Analysis)

Problem (Suboptimal Model)

- "U" was loosing customers because of inability to fulfill orders on time.
- The increasing cost of inventory investment was squeezing the bottom line dollars.

Solution (Optimized Model)

- Identify stocking strategy and product segmentation based on frequency of sale, value, demand variability and contribution to profit etc.
- Identify optimal service levels for each product-location combination based on segmentation
- Create Ideal inventory replenishment models/algorithms to achieve set service levels



Benefits and Savings

- Reduced the total inventory investment by $100 Million
- Increased customer service levels and reduced lost sales
- Reduced overall costs for procurement.