



Case Study

Vendor Managed Inventory: From Low Gear to Supplier of the Year

Challenge

A middle-market company was faced with a new challenge, when its top customer suddenly required all suppliers to develop a vendor managed inventory (VMI) relationship in order to maintain business volumes and the opportunity for growth.

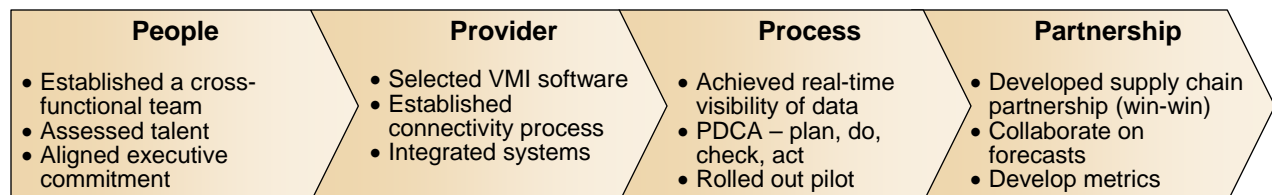
Result

- Achieved “Supplier of the Year” status with #1 Customer in three separate years
- Reduced inventory levels by 50%
- Reduced lead times while maintaining 98%+ service levels
- Optimized freight and warehousing costs through load and pallet optimization
- Reduced invoicing errors while creating a predictable cash flow

What We Did

Implemented a cross-functional approach to the 4 P’s of operational implementation for VMI: people, provider, process and partnership:

The 4 P’s of VMI Success



Communication & Metrics Feedback Loop