



SUMMARY

Customer

Original equipment manufacturer (OEM)

Challenge

Global supply chain support

Solution

READY!™ Material Management Services
Virtual Engineer

Results

- Streamlined part number and documentation processes
- Reduced costs
- Reduced on-hand inventory
- Increased supply chain visibility



During the first year, Anixter reduced on-hand inventories and rightsized the bins to meet the manufacturer's requirements. Anixter streamlined the inventory data by standardizing part numbers across locations to improve inventory visibility throughout all its manufacturing facilities.

Customer Challenge

A global provider of instruments, subsystems and process control solutions for vacuum and gas-based processes has six manufacturing facilities around the world. With four plants in the U.S., one in China and one in Mexico, the manufacturer wanted a supply chain partner that could meet its global needs while still maintaining local support. As the company has expanded from its manufacturing plants in the Northeastern United States to global sites, quality control throughout its supply chain and manufacturing processes has become a bigger concern. Each plant had its own list of suppliers, which varied the quality and supply from plant to plant, leading to variances in manufacturing quality and production. Inventory levels were challenging to manage with so many diverse products. There was little visibility into the supply chain, making it challenging to manage the inventory levels specific to what was needed. With a single supplier, the manufacturer wanted to improve its quality control, limit the number of suppliers with which it interacted and standardize its manufacturing approach around the globe.

Anixter Solution

At the time, Anixter had been supplying one of the original equipment manufacturer's (OEM's) plants with wire and cable products for 15 years. When Anixter learned of the company's supply chain challenges, it quickly stepped in with a solution that worked to consolidate its supplier base, improve its quality control and introduce cost savings throughout its supply chain. Anixter worked internally and with manufacturer partners to provide a steady supply of wire and cable, electrical components, passive components and fasteners to the company's six manufacturing facilities.

With locations in the U.S., China and Mexico, Anixter had the global capabilities to make sure all local stocking facilities were coordinated with the company's strategic plans. With wire and cable products as well as fasteners, Anixter was able to be a one-stop provider for the company's OEM supply chain and quality control needs. Anixter's global positioning and strong manufacturer partnerships allowed it to source material the company needed and distribute it around the world. Instead of having to rely on smaller, more regional suppliers, the company knew it had the same parts available at each of its manufacturing locations nearby in an Anixter stocking facility.

CASE STUDY

OEM MEETS GLOBAL SUPPLY CHAIN NEEDS WITH LOCAL SUPPORT



Anixter eventually worked with the customer and developed a list of products that included fasteners, wire and cable, electrical components, electromechanical components, management products, passive components and identification products (e.g., labels, plastic bags, chemicals, adhesives and small hand tools). With the breadth of products Anixter is able to supply, the customer was able to streamline its product sourcing.

As part of Anixter's READY!SM Material Management Services program, an Anixter representative goes into the plant to store the needed materials and scans the bins' stock levels to determine which materials need to be replenished. This keeps the production point fills both at the point-of-use bins and in the centrally located storeroom. By scanning and replenishing twice a week, Anixter is able to rightsize the bins to meet the company's stock needs to confirm it is only receiving the stock it needs and never runs out of material.

In addition to its material management solutions, Anixter was able to provide extensive quality controls through its engineering group. Eventually, Anixter created an automated quality solution through its Virtual Engineer tool, which is an interactive, online diagnostic tool that provides cost-effective design solutions to reduce ordering time.

Project Results

During the first year, Anixter reduced on-hand inventories and rightsized the bins to meet the manufacturer's requirements. Anixter streamlined the inventory data by standardizing part numbers across locations to improve inventory visibility throughout all its manufacturing facilities. This included cleaning up part number specifications, descriptions and documentation. These improvements helped Anixter meet its first-year objective in cost savings.

With an increase in part numbers being funneled through Anixter, the entire supply chain for the manufacturer has been improved. The total number of part numbers given to Anixter increased from 3,300 to nearly 8,000. The company now has an improved supply chain that is better managed with a partner that understands its quality and supply needs.



Anixter's Supply Chain Solutions help customers lower

their total cost of ownership, improve productivity and scale to meet production demands. With a wide range of solutions, Anixter is the perfect supply chain partner.

By working with Anixter, the customer in this case study was able to achieve the following goals:

- Reduced the number and complexity of suppliers by establishing a single process
- Delegated supplier management, which transferred responsibility for quality, cost and performance for subtier suppliers
- Developed a scalable supplier tiering program where suppliers can be integrated one at a time or many at a time
- Improved quality system that reduced cost of quality and consistency throughout a variety of products
- Created forward stocking location that positioned inventory and support where needed
- Maintained pipeline structures that fit the customer's needs
- Customized a distribution plan to prevent inventory shortages

OVER
8,300
employees

OVER
100,000
customers

MORE THAN
450,000
products

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