

# Reducing On-Hand Inventory

Allowing Customers to Focus on Their Business,  
Not Their Inventory Management

## Details

In 2009, Standard Electric started servicing a longtime industrial customer with Vendor Managed Inventory Services.

The Customer, a manufacturer of durable equipment for performance testing of engines and related applications throughout the world, desired to bring in a trusted partner who could control and maintain their inventory, allowing them to focus strictly on the manufacturing of their products and timely delivery to their customers.



BEFORE

AFTER



## Solutions

Standard Electric's Inventory Management Specialists worked with the Customer to provide an inventory management system that would allow the Customer to focus almost exclusively on the design, manufacture and delivery of their product.

Initially, the Customer received only electrical parts through Standard Electric's VMI Program, but according to the company's Production Manager, "[It was] primarily because we didn't understand the capabilities of Standard Electric and what they could offer." Over time, the Customer added wire assemblies, wire harnesses, electrical panel assemblies, hydraulic fittings and various hardware and plumbing parts.

According to the Customer, Standard Electric's VMI Program reduced the Customer's inventory costs by a minimum of 50 percent and eliminated their paperwork entirely.

"Standard Electric comes in, takes a look at what we need, they deliver it and all we really need to do is sign an invoice," said the Production Manager, "It's been a real surprise to see the vast array of options we have going through Standard Electric."

Our VMI Services for the Customer include stockroom organization, engineering support, kitting and parts sourcing (hydraulics, power transmission parts, hoses, etc.). Our partnership with their company has allowed the Customer to reduce their inventory costs, reduce processing and improve overall quality of product and on-time delivery, resulting in an 80-90 percent more efficient manufacturing process than what the Customer was just three years prior.

"I knew the technical support was always there, but with [Standard Electric's] VMI Program, it's really helped our production team, our engineering team, our service team, get stronger because of the fact that internally, we're able to share the expertise of Standard Electric for everybody."



A Tradition of Innovation & Service