



# REDUCING ON-HAND INVENTORY

- ▶ *Standard Electric's inventory management solution allows customers to focus on their business while we dedicate time to managing their inventory.*

## PROJECT OVERVIEW

Since 2009, Standard Electric has provided service to a longtime industrial customer with Vendor Managed Inventory Services.

As a manufacturer of equipment for engine performance testing throughout the world, they needed a solution-focused partner who could control and maintain their inventory. With these operations occupied, it would allow them to focus strictly on the manufacturing of products and timely delivery to customers.



Standard Electric's Inventory Management Specialists worked hand-in-hand to provide an inventory management system that allowed the customer to concentrate on the design, manufacturing, and delivery of product and applications.

Initially, they only received electrical parts through Standard Electric's VMI Program, but after further discussion the company's Production Manager confessed, "[It was] primarily because we didn't understand the capabilities of Standard Electric and what they could offer." They've since requested an expansion to their VMI services to stock wire assemblies, wire harnesses, electrical panel assemblies, hydraulic fittings, and plumbing product.

Thanks to Standard Electric's VMI Program they were able to reduce their inventory costs by more than 50 percent, and eliminated 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."*

To date, our VMI Services include stockroom organization, engineering support, kitting and parts sourcing (hydraulics, power transmission parts, hoses, etc.). Our partnership has allowed the customer to reduce inventory costs, reduce processing, and improve the overall quality of product and on-time delivery. This has resulted in an 80-90 percent more efficient manufacturing process that three years prior to implementation.

**50%**  
**OF INVENTORY  
COSTS REDUCED**

*"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."*



## END RESULT

1. The cost of housing inventory was significantly reduced due to Standard Electric's VMI program.
2. The customer was able to focus on streamlining their processes, resulting in more than an 80% increase in efficiency.