



## Executive Summary

Our SupplyPoint machines were installed at one of our customer's site in Pune, manufacturing Auto component, have their Aluminium die casting shop with specialised tool room.

## Case Study

### Aluminium Die Casting



## Challenges

Operators: Collecting extra numbers, issuing extra tools for other operators, hoarding back the used tools, resulted in high consumption of tools



## How it helped

Loading 50% stock in the vending machine, and balance maintained in central stores, Refilling priority was set to bulk stock first and second preference to buy only the ones out of stock. Eventually the bulk stock reduced month on month from \$13,900.00 to \$3,035.00.



## Results

Initial focus areas met and an additional four systems put in place to expand to further areas.

# The Full Study



## Executive Summary

Our SupplyPoint machines were installed at one of our customer's site in Pune, manufacturing Auto component, have their Aluminium die casting shop with specialised tool room.

Inventory carrying costs of (approx. \$333,600.00 per year, \$27,800.00 per month) With a workforce of 110 operators in 3 shifts extensively issuing the tools from the stores. The item category included with Inserts, Carbide cutters, Drills, End Mills, Cotton cloth, Stationery.

Management had analysed that the Shop can be productive and profitable for if 2 objectives were achieved:

1. To reduce the Inventory carrying cost upto 50%
2. Control the distribution of tooling to staff and get reduction in distribution by 20%.

With our SupplyPoint intelligent inventory management solution, customer succeeded to get the overall reduction in Inventory carrying cost upto 46% and 15% reduction in tool vending.



## Challenges

**Operators:** Collecting extra numbers, issuing extra tools for other operators, hoarding back the used tools, resulted in high consumption of tools. With 100+ operators issuing a right tool to the operator was old traditional logbook method that did not have check on tool jobwise and machine wise. Only 20% of tools were bought back to the stores with no record and accountability on Tool life, usage and Tool fail reasons.

**Stores:** Item traceability when required, no log for returned tools. Backup items being spread unaccounted, Tool categories were not planned and restricted based on Machine, Jobs and users. Stores in charge had no real time data/reports for forecasting planning, all the purchase requests were made as per the need. Inaccurate historical data for no assurance on least used, most used and non-moving stock.



## How it Helped

Based on the data provided ModuloGen2 master & slave frame were installed at the site.

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Software features that helped the most:

1. **User groups:** Transaction that restricts the users from other groups to access the tools.
2. **Machine Group:** The set of tools assigned for specific machines.
3. **Rationing:** Operators can withdraw specific number of tools per day. Over above this supervisor needs to authorize the excess quantity.
4. **Returns:** No new tool can be issued unless the old one is back to scrap, used bins.



## Results & Return on Investment

With a complete control on vending and refilling the machine with the items at Minimum qty helped customer liquidate and consume bulk stock at stores and removed the non-moving stock worth \$ 3,500.00.

Inventory carrying costs in the bulk stores from \$13,900.00 to \$ 3,035.00, 78% and Vending stock was controlled from \$13900.00 to \$11805.00, 15.07%.

Against a target of 50% and 20% in bulk stock and usage respectively, SupplyPoint Vending machines have achieved a reduction of 46% and 15.07% respectively (approx. \$12,927.00 per month). The ROI for our SupplyPoint Vending solution is well achieved in 3 quarters from the date of installation.