



Consumer Products Supply Chain Planning Organizational Redesign

Highlights



- Conducted a seven-week supply chain assessment
- Conducted a vendor selection process and instituted a change management initiative
- Vendor's software implementation will result in a 30% staff reduction and more than \$100 million in inventory reductions

The Challenge: The Logistics (Supply Chain Planning) department at a \$30 billion consumer products manufacturer was given extensive inventory reduction goals. A perceived problem was with planning technology, all homegrown and believed to be inadequate for master planning. While able to perform simple inventory management functions, the homegrown applications provided little ability to evaluate costs and trade-offs related to various supply chain decisions a planner might want to evaluate. Additionally, inventory and master planning roles were widely dispersed throughout the company, leading to little communication and disparate processes across divisions that would benefit from working more closely to achieve shared goals.

The Approach: Spinner resources conducted a seven-week assessment that evaluated the processes, metrics, technologies, organizational structure and business policies across all areas of the supply chain. This analysis evaluated the current state of the client's supply chain and benchmarked performance against industry peers and best-in-class companies.


The final step in the supply chain assessment involved developing a Future State supply chain roadmap that prioritized different improvement options based on their expected short and long-term business value.

Following the assessment, Spinnaker started a vendor selection process and the client set in place a large change management initiative to address the issues associated with organizational and job description changes for 250+ planners.

The Results: The client chose an Advanced Planning and Scheduling solution from a tier-one software vendor and is currently implementing new demand and supply planning solutions. The project will result in an estimated staff reduction of 30% and inventory reductions of greater than \$100 million.

About Spinnaker: Spinnaker is a supply chain services company that helps clients grow, manage risk, reduce costs, and improve customer service by developing world-class supply chain capabilities. Our services help clients develop the right supply chain strategy for their business challenges and implement the process and technology solutions to improve Demand/Supply Planning, Procurement and Sourcing, Logistics and Warehousing, and Reverse Logistics business performance. Spinnaker offers a unique service delivery model that combines the strength of deeply experienced management and technology consultants with a seasoned team of business process outsourcing (BPO) and 3rd-party logistics (3PL) professionals. Founded in 2002, Spinnaker has offices in Boston, Columbus, Denver, Houston, Memphis, Pittsburgh, London, and Singapore.

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