



Inventory Logistics Management

Outsourcing Production and Managing Inventory for a Police, Fire and Safety Lighting Company

OUR CUSTOMER'S ISSUE

A large manufacturer of police, fire and safety lighting products wanted to implement an aggressive inventory management program tied to system generated forecasts and weekly release schedules. In addition, the mix complexity of the customer's product line was challenging their in-house production capabilities and they wanted to eliminate/outsouce certain production processes all together.

SAFCO'S ROLE

Safco worked closely with this company to implement the following programs:

- Transitioned from discreet POs to large blanket purchase order commitments.
- Streamlined the automated communication of daily and weekly production demands and release requests
- Established standardized base production units to be used for final custom finishing to meet the customer product mix
- Large volume, base production units were produced in Asia and inventoried domestically to meet cost and service expectations
- Safco purchased selected wire processing machinery from customer
- Created dedicated customer service team to support customer.

PROJECT DETAILS

Safco helped the company simplify its inventory management process and more effectively balance in-house and outsourced production to better meet the ever changing product mix.

- 24 hour turnaround on system generated releases
- Cost savings as a result of leveraging both domestic and international production
- Responsiveness to ever changing product mix needs without shutting down the customer's production lines
- Ability to respond to "spike orders" and still meet the day-to-day demand schedule
- Freed up valuable production floor space to be dedicated to customer's core production functions
- Eliminated unnecessary inventory build up (carrying costs) to support in-house production and uncertain product mix needs.

ABOUT SAFCO

Safco is a full-service partner in the design, manufacturing and delivery of custom, low-voltage DC power supplies. Our experience, service and commitment to quality enable us to produce a low-voltage power assembly that offers superior performance and longevity, allowing our customers to focus more on what they do best.

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