

## HEALTHCARE SECTOR SUPPLY CHAIN OPTIMIZATION



The client is one of the world's leading manufacturers of orthopaedic medical devices. Their Spine, Trauma, and Bone Healing supply chain suffered from low fill rates, elevated input costs, and low distribution center and customer service productivity. The company aspired for a world-class customer experience, and to dramatically raise productivity.

### HOW WE MADE IT HAPPEN:

- Reduced shipping costs by \$460K through process enhancements that:
  - Consolidated duplicate shipments
  - Drove ship mix to channels that improved speed and cut rates
  - Reduced declared value surcharges
  - Capitalized on service failure credits
- Improved shipment packing productivity by 33% through improving warehouse layout, saving \$1.5MM
- Enhanced product returns and inventory transferring disciplines to reduce net field inventory levels
- Reduced legacy product purchasing costs by \$2.1MM by moving to 6-month purchases, VMI, and a more assertive PO process where PO's at 'optimized cost' rose from 23% to 88%
- Eliminated artificial variability in work volume by staggering release of FAX orders, saving \$380K
- Level-loaded the Quality Assurance technician area to absorb purchase volumes, resulting in a 67% reduction in overtime labor costs and a labor savings of \$560K

# \$5MM

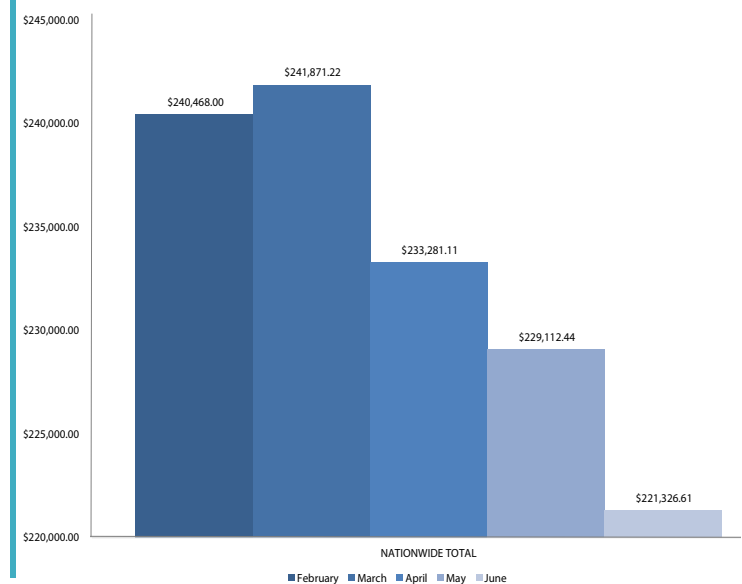
## EBITDA IMPROVEMENT



### RESULTS:

The client's overall labor, freight, and procurement costs were reduced by \$5MM with no IT costs or capital investments. The project results were achieved despite an 11% year-over-year increase in total company order growth.

### Reduction of legacy product purchasing



We are here to Make It Happen™.

Contact us for a complimentary assessment to help solve your complex business issues at [info@trindent.com](mailto:info@trindent.com).