

## HEALTHCARE SECTOR OPERATIONS TURNAROUND



The client is a leading medical device company focused on the design, marketing and manufacturing of products for the surgical treatment of spine disorders. The client experienced low fill rates, weak ordering governance, poor field inventory visibility, and elevated purchasing and material input costs. Trident was engaged to complete a structured operations and supply chain optimization.

### HOW WE MADE IT HAPPEN:

- Formalized key supply chain and customer satisfaction indicators:
  - Order fill rate to distributors
  - Inventory segmentation by ABC
  - Average length of time a product spends on backorder
  - Inventory planning accuracy
- Improved accuracy of production signals by adjusting inventory category parameters (min/max/safety stock)
- Implemented a vendor-managed inventory program and formalized the buying process to save \$1.1 MM
- Redesigned warehouse layout to streamline picking and flow of material to enable the consolidation of orders to various distributors, saving \$308K annually.
- Installed inventory turns and tissue expiry reports to reduce net field inventory levels by 13% in 3 months.
- Designed operating dashboards and a daily meeting in which departmental managers reviewed KPI's and determined a plan of action to address variances to schedule stated targets
- Redesigned the Return of Material process to release \$2MM in previously invisible stock

# \$2MM

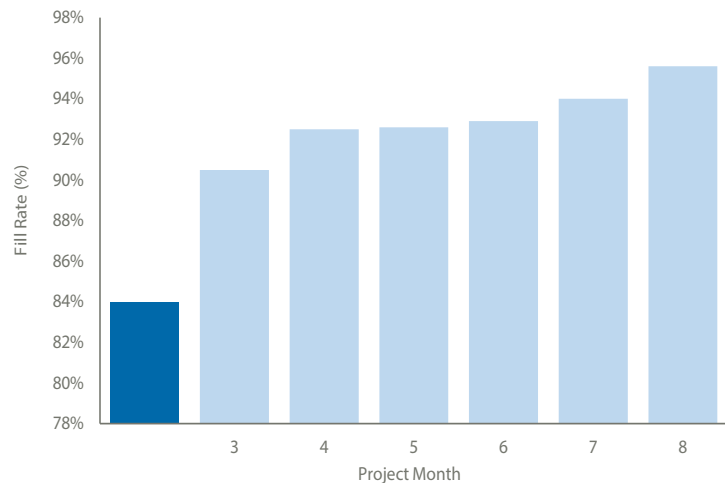
## EBITDA IMPROVEMENT



### RESULTS:

The client achieved a 14% improvement in fill rate while improving the cost structure in operations by \$2MM annualized. The project also improved the consistency of performance, as well as the level of integration across distribution, quality, manufacturing, purchasing, customer service and demand planning

### 14% Fill Rate Improvement



We are here to Make It Happen™.

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