

# OPERATIONS AND SUPPLY CHAIN OPTIMIZATION HEALTHCARE CASE STUDY



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

## 14%

**FILL RATE  
IMPROVEMENT**

## \$2,200,000

**ANNUALIZED  
SAVINGS**

## \$1,100,000

**REDUCTION IN YEARLY  
PURCHASING SPEND**

### HOW WE MADE IT HAPPEN

- Formalized key supply chain and customer satisfaction indicators: order fill rate, inventory ABC segmentation, average back in stock date, 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, saving \$1,100,000 annually
- Redesigned warehouse layout to streamline picking and flow of material to enable the consolidation of orders to various distributors, saving \$310,000 annually
- Installed inventory turns and tissue expiry reports to reduce net field inventory levels by 13% in 3 months
- Designed operating dashboards and daily meeting for departmental managers to review KPIs and determined a plan of action to address variances to targets
- Redesigned the return of material process to release \$2,000,000 in previously invisible stock
- Reduced inbound priority overnight shipments by 57%
- Reduced outbound priority overnight shipments by 20%
- Reduced overtime hours by 31% in manufacturing, quality assurance, clean room and distribution

*"From the start, the Trident team integrated with our staff at all levels. In a very short time, the team uncovered over 50 process improvement opportunities and worked collaboratively with groups in customer service, planning, purchasing, manufacturing, and distribution to execute their implementation. Furthermore, a formalized continuous improvement program was defined which accelerated the pace of change in the business."*

*-Chief Operating Officer*