



General Industry Case Study

HVAC/Appliance Operation

Henkel Chemical Management (HCM) successfully surveyed, set-up and implemented this chemical management program in 1996. Due to the success of the program a second location was immediately awarded to HCM. Over the next few years HCM savings averaged approximately \$100,000 per year or approximately 12% of the total chemical expenditure. Due to client management changes in 2000-2001, the client chose to try another company attempting to establish themselves in the chemical management arena. The new supplier was unsuccessful in meeting the client expectations. Therefore at the urgent request of the client, HCM was summoned to transition and re-establish our program at both locations. Since the 2001 re-implementation, HCM has continued to meet or exceed all of the client expectations.

Program Highlights:

- ✓ On-Site Full-Time Dedicated Site Manager – On-Call 24/7
- ✓ Products Managed – 264
- ✓ Supplier Consolidation: 50+ Suppliers (Tier-2) to 1 (HCM)
- ✓ MSDS Management – Hard Copy & Electronic
 - Internet/Intranet Capable
- ✓ Supply Chain Management
 - On-Site Inventory Management
 - Supplier Management
 - Small-Package Order Replenishment (Crib Stock)
 - Large-Package Order Replenishment (Drum/Tote/Bulk)
 - JIT Delivery Management
- ✓ Price Protection – Centralized Purchasing – Leveraged Pricing (National)
- ✓ Chemical Waste Reductions – Shelf Life Management
- ✓ Customized Reporting
 - Weekly Environmental Reporting
 - Natural Gas / VOC
 - Monthly Usage Reports
 - By Department / CPU
 - Annual Environmental Constituent Usages
 - By CAS No. / By Stocking No. / Per LB
- ✓ Year-over-Year Cost Savings – Project Management – Program Savings Inception-to-Date (December 2010) = **\$1,500,000+**

“Reducing Customer Complexity, Waste & Total Operating Cost”