



Aerospace Case Study

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Prominent Aerospace Rebuild Operation

This program was transitioned from two unsuccessful competitors that struggled with system customization and SOW requirements. Henkel Chemical Management (HCM) successfully customized and implemented a point of use (POU) inventory management program that exceeded the customer expectations. This program requires managing direct and indirect products, which include numerous shelf life materials such as adhesives, sealants and paint. It also requires several automated environmental activities that include customized constituent reporting, MSDS management, and new product approval EHS processes. The program also provides a robust online environment where more than 200 customer employees can make product requests directly to Henkel site personnel for quick turnaround between buildings, a true integration.

Due to the many successes at this location, Henkel is now implementing a corporate wide program (6 additional locations).

Products Managed – 945**POU Locations – 150 (which contain 1,402 products)****Number of Buildings – 18****Cost Centers Serviced – 110****Program Highlights:**

- ❑ Automated Centralized IT systems – Real Time Information – Customer Access
- ❑ Logistics – Expediting Reductions & Trans Consolidation
- ❑ Inventory Consignment Program – Increased Customer Cash Flow
- ❑ Transaction Reductions – Monthly Consolidated Invoicing
- ❑ Price Protection – Centralized Purchasing – Leveraged Pricing
- ❑ Waste Reduction – Shelf Life Management – Warning Notices & Recertification
- ❑ Revolutionized EHS new chemical approval process
- ❑ Customer Manpower Redeployment – 3-5 heads
- ❑ Productivity Increases – Zero Stock Outages – Optimal Product Locations
- ❑ Waste Reduction – Usage Optimization – Container Right Sizing
- ❑ Inventory Reduction – Improved Forecasting & Demand Analysis
- ❑ Process Improvement – Standardization & Best Practices
- ❑ Customized Reporting – By Department, Location, Requestor
- ❑ Certification Management – Centralized – Testing Reductions
- ❑ Year over Year Cost Saving Program – Project Management - First year savings \$250,000