Success Story

Global Manufacturing Company

Benefits

- The client has identified $15 million in annual savings by using our model.
- They now understand how all cost drivers interact to impact their business strategy.
- They can complete their annual planning cycle more quickly than before.

Objectives

The Pacific division of this Fortune 500 Company needed a five-year strategic plan for capacity expansion and plant-to-customer/market sourcing. The network included 15 countries and markets, eight plants, and 200+ products.

Our Solution

Profit Point worked with the client to identify the key factors in making decisions about expansion. They needed to be able to balance production costs, transportation costs, local raw materials costs, and international duties and exchange rates to choose the best sourcing and expansion strategies.

Profit Point developed a design and analysis model that lets the manager quickly explore different sourcing and capacity-expansion scenarios. The client runs the model on his PC. A one-page cost summary for each scenario and interactive graphical displays allow the client to identify the best sourcing and capacity strategies. By changing assumptions about sourcing strategy, exchange rates, plant location, and capacity, the client can explore many "what if" situations.

Our consultants have many years experience in implementing new supply chain systems. We build, configure, and implement systems to support all elements of the supply chain. Using existing business templates, we configure a system, which is easy to use and easy to maintain with your business processes.