



Case Study: Chemical Company losing customers

- Situation:** We received a call from the VP of sales of a chemical importing company with approximately \$80 million in yearly revenues.
- Critical Issues:** The Company was dealing with multiple issues with a common connector: Lack of visibility into the supply chain. Lag times from order to receipt of goods was sometimes 60-days. Sales people did not have reliable “available to sell” information, resulting in customer dissatisfaction and even customer loss due to over-promising. Market share and profits were eroding as competitors stepped in to satisfy the disgruntled customer base. In an effort to make sure his team did have product to sell, the Company had begun carrying excess inventory, making carrying costs the highest in Company history.
- Reasons:** The Company had no centralized, easily-accessed database, and no effective way to use the logistics information it did have. Sales people relied on an inventory spreadsheet that was emailed daily at 7:00 AM. The sheet was often outdated minutes after it was distributed.
- Vision:** The VP of sales needed to provide time-phased (by month) inventory information to each sales person in real-time, allowing every sales person to see what was in the Company warehouses, what was on the water, when the goods were scheduled to land, and what was truly available to sell (even if it was on the water). The sales team had to be able to access this information on-demand from an Internet connection.
- VISCO provided:** All this and more.
- Result:** Sales are up as a result of the crystal clear supply chain visibility. Sales people are selling inventory that is on the water with confidence. The Company has won back some of its customers and inventory carrying costs are down 16%.