



Case Study

🕒 10 MIN READ

Military Subcontractor Manufacturing Company

A MANUFACTURER OF SYSTEMS FOR MILITARY USE USES SOURCEDAY TO MANAGE LONG LEAD TIME ITEMS.

A SourceDay customer that produces equipment for military purposes sat down with us recently to share their story. Due to the sensitive nature of their products, they've elected to remain anonymous.

48%

Improvement in Supplier OTD

96%

OTD to Customers

80%

Supplier Adoption

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BEFORE

Too Much Buffer Stock

Regularly ordered 2-3 years' worth of products without a shelf life

Late Deliveries

Consistently received only 60% of materials on time

Disappointed Customers

Met customer commitments only 80% of the time

Automation Leads to Better Supply Chain Performance



AFTER

More Cash, Less Buffer Stock

Decreased reliance on buffer stock, freeing up valuable cash

93% Supplier OTD

Supplier on-time delivery moved from 60% to 93%

Increased Customer Satisfaction

Boosted on-time delivery to customers to 96%



"We have more visibility which means we can be very proactive. We've been able to ship earlier more often and recognize revenue faster."

- MATERIALS MANAGER

A Modern Manufacturer Stuck Using a Fax Machine

A manufacturer that makes high-powered systems, often for military use, found itself mired in manual processes years ago. The Manufacturer, as we'll refer to the company, relied on VISUAL's ERP capabilities for demand planning and struggled to communicate information from the ERP to suppliers. When orders were nearing their promised delivery date, The Manufacturer would print open order reports from VISUAL and fax them to dozens of suppliers at a time.

On top of these problems, they also struggled to keep up with commitments made by their sales team. Relying on materials with long lead times, they began stocking up on key components, sometimes ordering 2-3 years' worth of materials at a time.



Small Changes, Huge Improvements to Supplier Relationships

The Manufacturer describes itself as mostly “single sourced,” meaning that they don’t have backup suppliers to turn to if a part is late. The parts produced are intricate, can take hundreds of days to build, and require special equipment. Suffice it to say, supplier relationships are important.

After adopting SourceDay, they watched as these relationships improved. Buyers were able to easily follow up with suppliers in the weeks leading up to production so fewer things were missed. Suppliers could quickly and easily send updates. As an added benefit, VISUAL was updated daily with new information from suppliers, allowing more internal stakeholders to review order statuses and trust the data they were shown.



“I can answer internal questions faster and more accurately now. Now our colleagues in planning & sales can trust our purchasing team will deliver on-time.”

- MATERIALS MANAGER

SourceDay Reports Give Managers Better Visibility

Each member of the procurement team at The Manufacturer has a long list of suppliers to follow up with at a given moment. Under the old system of faxes and emails, management had little visibility into those follow ups. If 200 faxes were sent, they couldn't readily tell if all 200 responded.

With SourceDay's reporting capabilities, management can easily pull reports of upcoming ship dates and use those reports to run meetings, ask for updates, and plan manufacturing schedules.

Digital Transformation Improves OTD and Customer Satisfaction

By overcoming the limitations of their VISUAL ERP, The Manufacturer uncovered significant gains in supply chain performance. First, they found that on-time delivery from suppliers improved from 63% on time to 93%. Even better, they watched their own delivery to customers improve from around 80% to nearly 96% on time.

Trust within the organization also increased. The sales team, who had a tendency to occasionally overpromise, came to rely on and respect the team's lead times. In turn, customer orders were also rarely late, leading to happy customers and recognized revenue.

And as they were quick to point out, ditching faxes also saved a whole lot of trees.





Who We Are

SourceDay

SourceDay is a supply chain performance software that bridges the gap between the ERP and the supplier network, making it easy to manage changes throughout the direct spend lifecycle. For too long, change has been the only constant for manufacturers, distributors, and CPG brands relying on legacy processes to manage suppliers. With SourceDay's suite of collaborative products, entire teams can trace a single part from PO issuance through delivery, giving organizations unprecedented command and control over their businesses. SourceDay has helped thousands of businesses prevent surprises in their supply chains and, in doing so, enabled them to ship billions of parts on time, uncover new cost savings, safeguard revenue, optimize operations and protect sacred customer relationships.

Want to learn more?
Talk to SourceDay today!