VIRTEX Enterprises

HOW VIRTEX ENTERPRISES EXCELLED DESPITE SUPPLY CHAIN DISRUPTION

"We have to have redundant supply chains; we have to have resiliency. In most cases, we're the sole source of supply, so we have to be able to adapt – and adapt quickly."

Brad Heath, CEO of VIRTEX Enterprises
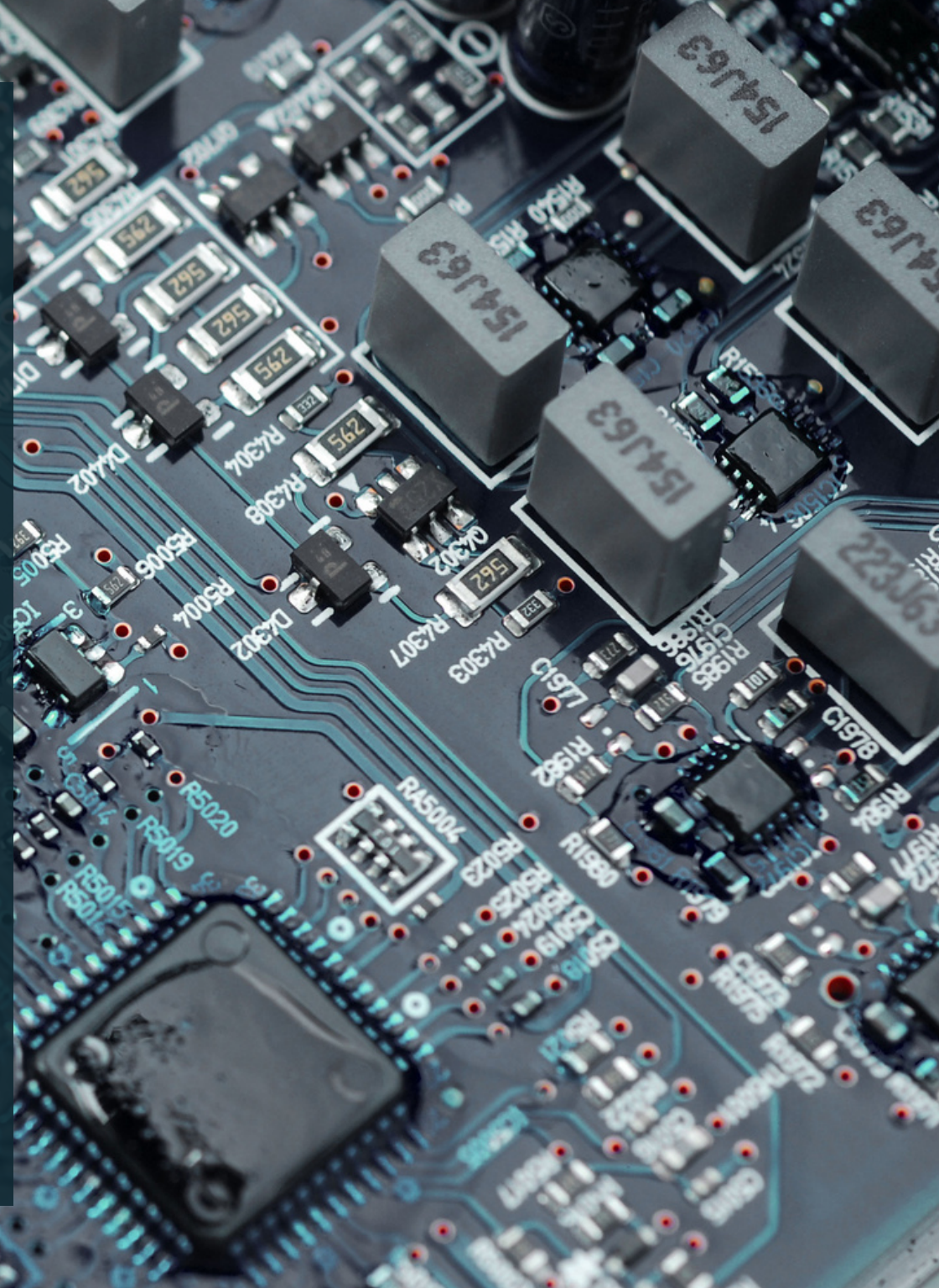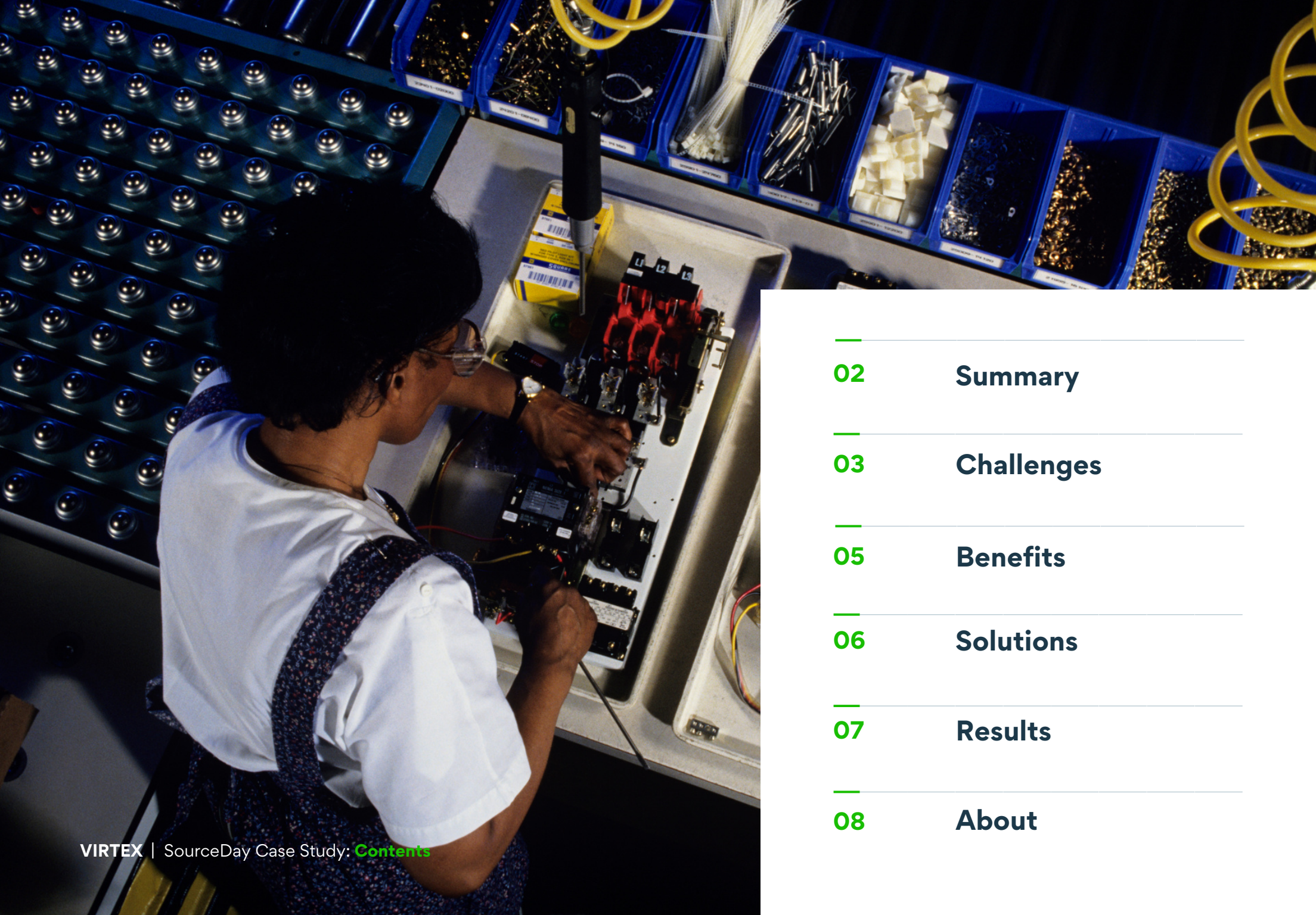
96%
On-Time Delivery Despite Disruption

6
ERP Systems

9
Locations in the U.S. and Mexico

Read More ⌄

BEFORE

Fragmented Information
Managing inventory with locally managed and saved spreadsheets

Manual Updates
Communicating change orders and updates with customers and suppliers via email

High Risk of Error
Human oversight at key suppliers caused emailed POs to be missed, and parts to be late

Superior Execution at Every Stage

AFTER

Efficient Automation
90% of transactions require no manual intervention

Actionable Innovation
Able to collaborate with suppliers to ensure supply chain resiliency

Reduces Supply Chain Disruptions
Reactive inventory management triggers prevent stock-outs

Built-in Business Continuity
Virtual workforce maintained uninterrupted supply visibility

Efficient Management By Exception

As a company that has grown steadily, both organically and through acquisition, VIRTEX has a complex technology ecosystem in place to address their manufacturing, supply chain, business intelligence, and accounting requirements. They have six ERP systems between their eight facilities in the United States and one in Mexico, and a combination of third-party and 'home grown' solutions. With 800 employees and 100 global suppliers, 20 of which are strategic partners, their needs in the areas of visibility and collaboration are significant, even when they are not going toe-to-toe with worldwide supply chain disruption.

In order for their growth to continue, VIRTEX's supply chain materials managers needed automated exception reporting that would prevent them from constantly having to chase down confirmation dates and delivery timelines. 90% of the transactions "just happen" according to Brad, allowing his team to focus a smaller allocation of their attention on the remaining 10%.

Resilience Through Agility

VIRTEX is using SourceDay's collaboration tools to facilitate interactions between plants, factories, suppliers, and customers. It is able to triage inventory movement, production prioritization, workflow routing, and exception management. At the same time, several of VIRTEX's customers are in the SourceDay ecosystem as well, meaning that they use the platform as a buyer and as a supplier.

When customers decided to delay purchases, VIRTEX received the notifications and was able to change their inventory plans. Other customers were expediting orders to get ahead of the disruption, and in those cases, VIRTEX was able to deliver sooner because of the visibility and agility provided by the SourceDay platform.

"The way you're successful in a crisis is you practice the items tied to that crisis so you can make sure that your tools and your techniques are appropriate. This was not the first time we moved from one facility to another just to make sure it would happen."

"We weren't planning for a pandemic, but we were planning for disruptions in the supply chain. We were planning for disruptions, whether they were due to fire or other facility issue, so that we could take care of our customers."

Brad Heath
CEO of VIRTEX Enterprises

Single Source of Truth for PO Management

Once a PO is created in one of VIRTEX's ERP systems, it automatically appears in the appropriate buyer and supplier dashboards. From the PO dashboard, they can track PO acknowledgments, status updates, and due dates. If a buyer makes any changes to a PO, suppliers are automatically notified.

The PO Exceptions dashboard helps companies understand how PO exceptions impact revenue, cash flow, and working capital. The module uses change suggestions from the MRP to assess the revenue and cash flow that is at risk. View the total value of move-ins, move-outs, and cancellations in one place and prioritize which PO lines to action.
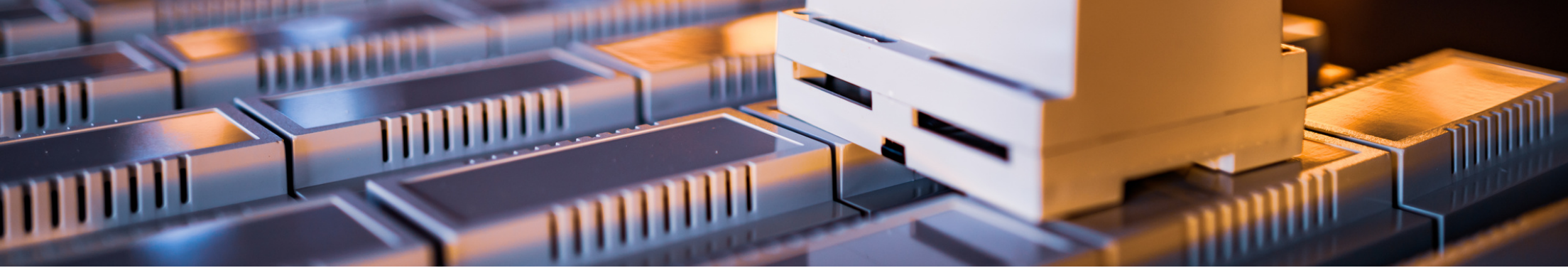
How VIRTEX Positions Themselves for Growth

VIRTEX's supply chain resiliency started with effective contingency planning, but as the disruption continued, they were able to go to a second level of response: leveraging safety stock while pivoting to domestic suppliers who were still in operation, had inventory available, and were not subject to the shipping delays associated with global suppliers.

With the disruption starting to stabilize, and industries starting to move into the next phase of adjustment, VIRTEX is in a strong enough position that they can start positioning for future success.

"There's always rapid growth as things come back online and start cranking, and that can be just as disruptive from a manpower and cash standpoint. Coming out of the 2008-2008 financial crisis, we had 40% growth. All of the focus that we put into leaning out the manufacturing and making sure we have sufficient cash and production capacity to go ahead and grow."

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. 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.

VIRTEX

VIRTEX manufactures printed circuit board assemblies and other critical electronic systems for small- and medium-sized customer programs across a wide range of industries, including: industrial, aerospace and defense, automotive, and medical. By providing a focused market-segment approach, VIRTEX can bring greater value and innovation to its customers, improve OEM competitiveness, and deliver comprehensive, tailored solutions that are specific to each customer.

Want to learn more?
Talk to SourceDay today!