



Case Study

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Chatsworth Products

HOW CHATSWORTH PRODUCTS REDUCED WORK IN PROCESS WITH REAL-TIME INFORMATION

“We met our SourceDay partners at an Epicor user group meeting and we saw the demo. It wasn’t long after we saw the demo that we were planning our SourceDay implementation.”

Jonathan Peters, Director of IT at Chatsworth Products

66%

WIP inventory cut

90%

Average on-time deliveries

70%

Down on late deliveries over 10 consecutive quarters

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BEFORE

Excess WIP inventory

cluttered the production space and led to damages

Late deliveries all had the same cause:

no supplier acknowledgement of the original order date

Managing orders and status via email

led to confusion and wasted resources

Supplier Collaboration Improved with SourceDay



AFTER

WIP inventory on hand reduced

from 8-9 days to 2-3 days

Better use of production space

fuels corporate growth

Cash flows freed up

to support new acquisitions

Improved supplier management

is facilitating the process of integrating those new acquisitions with the core Chatsworth business



Managing Suppliers at Scale for Risk and Reward

When Epicor announced they would no longer be supporting their supplier portal, Chatsworth made the decision to rethink how they handle supplier collaboration, both for their own sake and for their suppliers'. They made the decision to augment their ERP system's capabilities by integrating with SourceDay.

Chatsworth was facing a number of supplier-related challenges with their Epicor ERP, all of which centered around how they were managing the process of acquiring parts and raw materials. They predominantly relied upon email, phone calls, faxes, and spreadsheets to manage supplier communication, none of which facilitated visibility or easy tracking.

Chatsworth's IT and supply chain teams worked with SourceDay to replace the old way of doing business with a digitally transformed, streamlined process for managing parts. While Epicor offered a replacement solution for their supplier portal, the Chatsworth team did not feel it provided the scale and performance they needed to manage their suppliers and relative risk. There were also concerns about the supplier onboarding process, described by one Chatsworth team member as "painful."

"By cleaning up our work in process, we now have more just-in-time inventory management. We've reclaimed about 90% of our previous warehousing space and converted it into manufacturing floor because of the way we've optimized our inbound materials."




SPIKE MCBRIDE

Chatsworth Products Senior Director of Materials and Logistics



Actionable Information Available in Real Time

Chatsworth leverages SourceDay's real-time capabilities to put information into the hands of decision makers both inside the company and out. This includes planners in supply chain and warehouse operations as well as multiple types of customers (distributors, integrators, and end-users), each of which needs a different type of information on a specific schedule. SourceDay has proven to be far more than a 'glorified email chain' because it stores information centrally, making it easier for all parties in the supply chain to stay up to date. Because the SourceDay team handled all the heavy lifting associated with implementation, integration, supplier onboarding, and adoption, Chatsworth quickly realized the full value proposition associated with the platform. Chatsworth is 100% employee-owned, creating added incentive for everyone to inquire how they can do more for the company, gain more efficiencies, and find more time in the day for adding value.



"Three years ago, we were living in chaos. Now, with our hyper-growth and with the new tool, I can't remember the last time we were short a part."



Jean Louis Marin
Chatsworth Products Senior Director of Materials and Logistics

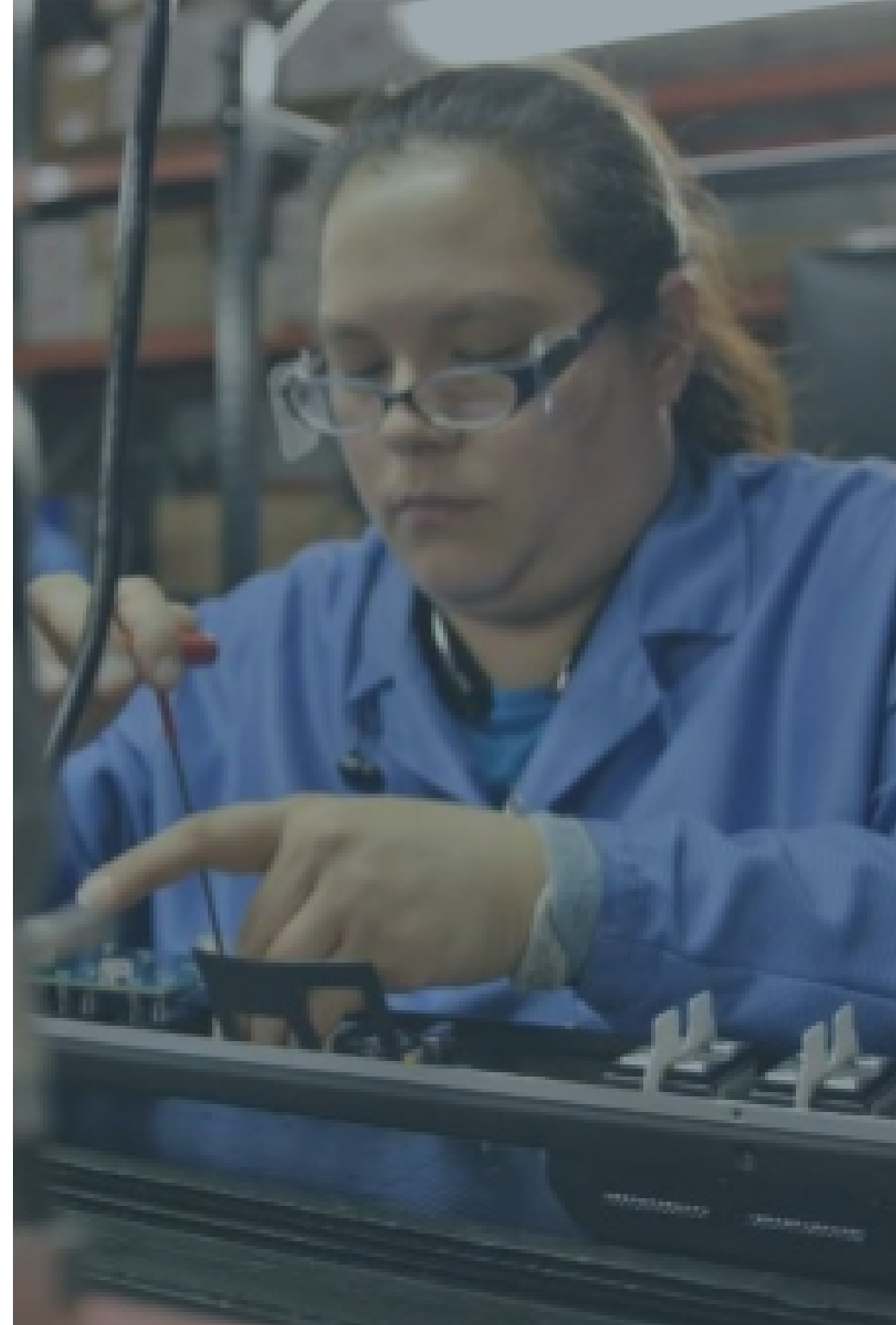
From Root Cause Analysis to Corrective Action

Before SourceDay, certain parts were chronically late. Each time they were short on inventory, the Chatsworth team would do a root cause analysis to uncover the problem – especially when it brought production lines to a halt. It almost always came back to the same issue; because they were relying upon email and phone calls to manage their orders, they had no way to track whether suppliers acknowledged the original order date (and they often didn't). Now that information is not only tracked centrally by SourceDay, Chatsworth is also able to make a record of the deal price when an order involves a spot buy.

Today's Improvements Lead to Tomorrow's Opportunities

Because the SourceDay implementation was smooth and offered additional benefits and functionality beyond their previous supplier management system, the materials and logistics team still has solid relationships with suppliers and internal customers.

In fact, they plan to expand their use of SourceDay to include unlimited suppliers, more buyers, and supplier scorecards to support their quarterly business reviews, allowing performance issues to be addressed as soon as they happen rather than months later. They plan to do the same for the companies Chatsworth has recently acquired, and now that those teams have seen what the SourceDay platform can do, they are eager to come online.





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.



Chatsworth Products (CPI) is a global manufacturer of products and solutions that protect your ever-growing investment in information and communications technology for IT and industrial automation applications.

Want to learn more?
Talk to SourceDay today!