



SourceDay & ARES TOOLS

How the family-owned specialty automotive hand-tool seller **increased on-time delivery by 70% and supplier engagement by 36% with SourceDay** - gaining essential peace of mind and optimized PO management workflows in the process.

151%

Increase in supplier acknowledgment.

36%

Increase in supplier engagement.

THE CUSTOMER

ARES is a family-owned hand-tool seller based in Seattle, WA. From wrenches and pry bars to sockets and screwdrivers, ARES offers specialty automotive tools built to last. The company takes pride in designing classic, strong, and functional tools that are tested and approved by professional mechanics and meant for DIYers and enthusiasts alike.

LEAD

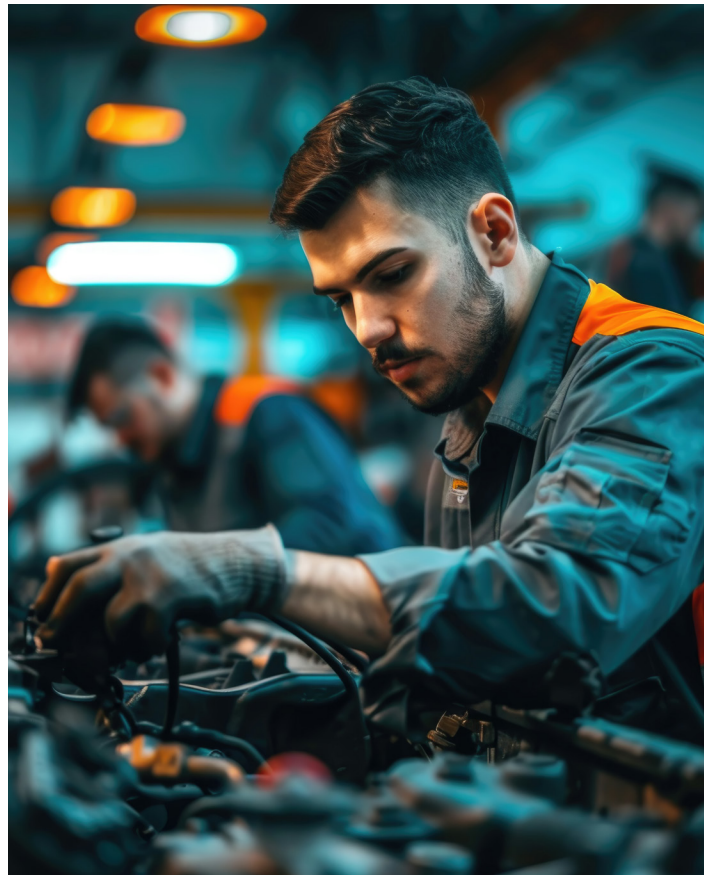
Ian Hull, Supply Chain Manager, ARES

THE SITUATION

Founded in 2016, ARES spent years establishing supply chain and PO management processes that worked for the small but growing company. Buyers from the company ordered their stock of hand tools from three suppliers and loaded the inventory into containers for shipment and delivery to an Amazon warehouse. From there, they'd unload it and begin selling their classic, durable tools to customers through their Amazon store. The company's procurement team had streamlined inventory ordering and fulfillment processes, and engaging with suppliers for PO-related tasks was manageable.



“We used to only have three suppliers, so it wasn’t very hard to manage POs, even if it was a large number of them, because you really only had to worry about following up with three people. When we grew to 20 suppliers and nearly 800 items, that’s a lot of POs, a lot of PDFs that needed to be signed, and a lot of emails back and forth. It became unmanageable. Because our ERP system didn’t provide visibility into the status of a PO once it was cut, we spent most of our time going to suppliers to check which POs they had, cutting orders, and making sure they were signed and into production.”



However, when COVID-19 wreaked havoc on every element of ARES’ supply chain, coupled with the fact that the company was continuing to expand, new challenges emerged, and previously unidentified supply chain inefficiencies were revealed. Restrictions were placed on the amount of inventory that could be stored at one time, which introduced the need for ARES to secure additional warehousing and track inventory quantities at different locations. The suppliers ARES bought from were experiencing extensive manufacturing delays, and the cost of a single 40-foot shipping container skyrocketed from \$2,500 to \$18,000. Additionally, ARES expanded its supplier relationships from just three to 20 and

increased its product offerings from 400 items to 800. With the new complexities and increased volume of data to manage, it became challenging to work efficiently. It was difficult to maintain visibility into the status of POs, as well as accurately track supplier quantities, lead times, and delivery dates to ensure all items remained in stock.

Ian Hull, the Supply Chain Manager at ARES, recognized that a PO lifecycle management platform was needed to regain control of inventory management, establish workflows that could scale with the company’s growth, enhance supplier communications, and deliver the real-time insights needed for improved business decisions.



THE CHANGE

In evaluating various tools, the user experience of SourceDay's platform proved simple and easy to use, which was particularly important for the ARES team. They were already stretched thin trying to update massive spreadsheets regularly and manage an increasing volume of POs and supplier emails. Additionally, finding a solution that ARES suppliers would adopt and regularly use, even if English wasn't their native language, was crucial for increasing supplier communication and engagement. SourceDay met both the buyer and supplier requirements and delivered certainty that adopting a new software platform would drive increased efficiencies, not introduce new complexities.

“One thing I really like about the SourceDay platform is that it's really quick. All of a sudden, we had peace knowing where each PO stood and what needed action. With our suppliers now all using SourceDay, we have a better way of looking at things because we know where the pipeline is.”

THE RESULTS

After a quick implementation, ARES saw an immediate increase in on-time delivery – upwards of nearly 70%. Interaction with their suppliers was also dramatically improved, **achieving a 151% increase in supplier acknowledgment** through automated workflows and a **36% increase in supplier engagement**. With all of the suppliers now on the SourceDay platform, the team can quickly (within seconds) access real-time data around every single PO line item pertaining to due dates, quantities, or pricing and have visibility into the status of POs – from which ones might still be pending and warrant follow up, to which ones are on the verge of being late. A new peace of mind exists that wasn't possible before.
