



FIDELITONE™

SUPPLY CHAIN SUCCESS STORY

SURGICAL PRECISION IN SUPPLY CHAIN MANAGEMENT

when lives depend on timely product flow, this medical device manufacturer utilizes an experienced 3PL service provider to deliver efficiently and effectively

AT A GLANCE

Company: Medical device manufacturer

Industry: Manufacturing – FDA regulated products

Key Challenge: Establish consistent inbound material flow for high value, time-sensitive production

Solution: Align materials movement with production needs; ensure quality of inbound materials

Outcomes:

- Decreased damaged inbound shipments **by 69%**
- Reduced rush orders of materials to the plant **by 90%**
- Achieved **>\$100K annual savings** in transportation costs

“We work with numerous 3PLs to support our global manufacturing and FIDELITONE is the only one we trust to ship finished goods directly to our customers.”

Operations Business Integrator
Medical Device Manufacturer

Background

In a manufacturing environment, the flow of materials is the lifeline of production. In this operation with 12 production lines generating \$10 million in surgical devices daily, lives literally depend on flawless fulfillment. Yet damaged materials shipments to the off-site warehouse and long lead times were continually starving production lines, resulting in costly downtime.

KEY CHALLENGE

With this stop-and-start workflow, a daily scenario of as many as 18 rush inbound materials shipments burdened the company with needless service disruption and expense.

This operation stands to lose \$34K/hr every time production is stalled.

SOLUTION

Three innovations vastly improved operational efficiency and reliability:

1. Kitting Solution

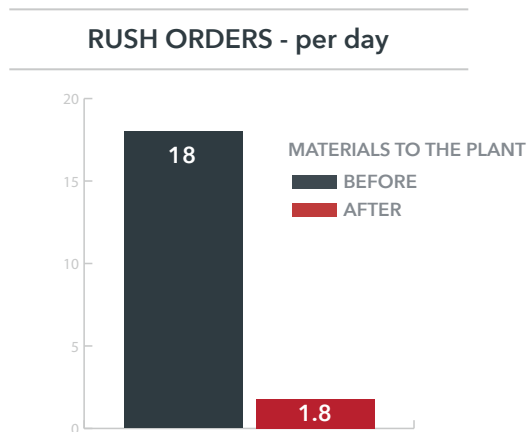
The materials needs of the 12 lines were not uniform. Some production lines required 12 pallets, while others needed 20. To address this, FIDELITONE developed a kitting solution for line-specific material quantities for just-in-time delivery, thereby streamlining material flow to the production lines.

2. Custom Box Truck

Furthermore, the inbound materials warehouse at the plant was too small to accommodate full 53' trailers, yet capacity of a standard 26' box truck was insufficient to feed the production line. To maximize space utilization, the FIDELITONE team designed a 26' long x 109" tall box truck with a barn door and reinforced floors for forklift use that yielded 2X the capacity of a standard box truck. Operating an additional warehouse nearby, FIDELITONE boosted frequency of materials delivery to the plant by a factor of 2.5 and upgraded delivery turnaround to 4 hours or less.

3. Raising the Bar for Carriers

This client was being taxed with routinely damaged shipments. FIDELITONE raised the bar and began tracking carrier performance through a customized quality scorecard. Only high-performing, cost-effective carriers remained on board. FIDELITONE also evaluated third-party carrier lanes to reduce overall waste of empty or unutilized trucks, saving the client \$78K/year in cartage costs. Materials from nearly 20 suppliers now arrive at the FIDELITONE materials warehouse reliably fit and ready for use.



OUTCOMES

This right-fit solution of ongoing material supplies required by each unique production line now advances a steady workflow. Rush materials orders have become the exception rather than the norm, saving the operation >\$100K annually in excess transportation costs, too.

Advances in service levels now go hand-in-hand with major cost reductions for this FIDELITONE client. Surgeons have the crucial tools they need in the right place at the right time. Streamlined product flow translates into a high-performing production line, optimized financials, and enviable customer trust.

DAMAGED INBOUND SHIPMENTS - ANNUAL

DOWN FROM **104** to **32**

The client has further advanced customer trust through an additional FIDELITONE solution: A new international direct ship (ship to freight) solution bypasses the distribution center and has reaped a \$312K annual savings in transportation expenses. Demonstrating the true meaning of "earning customers' loyalty," FIDELITONE has already processed >2 million orders for the clients' customers—100% damage-free, with 100% order accuracy.

How can we help you meet your service and performance objectives? **Call 800.475.0917**



EARNING CUSTOMER LOYALTY

FIDELITONE, a supply chain management firm, helps you earn your customers' loyalty through specialized services in inbound logistics, order fulfillment, last mile delivery, and service parts management.

We manage resources, create right-fit solutions, and optimize supply chain processes to advance your business performance and profitability. At every step and in every service, FIDELITONE employees focus on the touchpoints that safeguard your brand and keep your customers coming back.

We're paying attention to what matters to you in your business. We're paying attention to what matters to your customers when you entrust your brand promise to us. We're building high-performing answers to your toughest supply chain challenges.

Call 800.475.0917 or visit fidelitone.com