

GRAINGER KEEPSTOCK® INVENTORY MANAGEMENT



Managing inventory is one of the best opportunities to take costs out of a business. Grainger offers holistic solutions through the KeepStock® Inventory Management system to help businesses effectively manage and track their inventory. Grainger seeks to be a true partner in this endeavor – they will work with their customers every step of the way to make sure this program is efficient and benefits the business.

KEEPSTOCK® HAS MULTIPLE APPROACHES:

CUSTOMER MANAGED SOLUTIONS

Customer Managed Solutions offer businesses the opportunity to self-manage their own inventory. This solution allows customers to better organize, manage, and order inventory, while giving the business complete control of the process.



GRAINGER MANAGED SOLUTIONS

Grainger Managed Solutions offer the customer a hands-off approach to managing their inventory. A Grainger Inventory Management Specialist takes care of all aspects of the customer's inventory and ordering processes – helping to keep inventory levels where the customer sets them, only replacing products that have been used, as well as performing spot buys and product put-aways.

CREATIVE SOLUTIONS

KeepStock® is not limited to a warehouse or inventory storeroom – it can take place anywhere unique products are stored. This solution is especially applicable for those whose work is mobile – a contractor's Newell Rubbermaid work cart could employ KeepStock®. Any environment where a customer might keep tools or an item they need is an environment where KeepStock® could make a difference.

HOW DOES KEEPSTOCK® WORK?

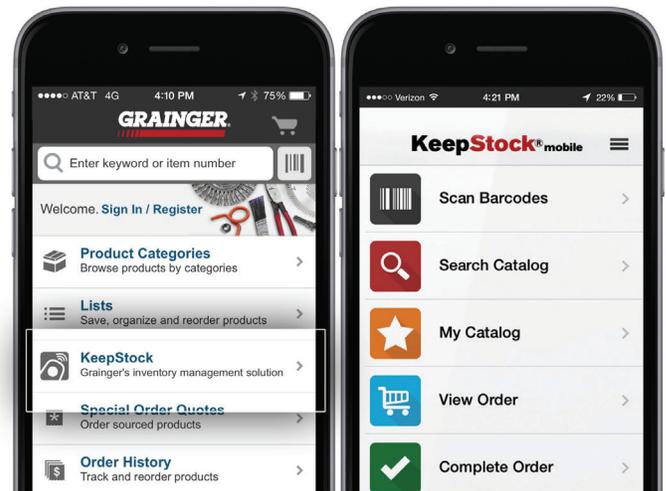
Any product that has a unique location can be the beneficiary of KeepStock®: barcodes are created for any unique product in any unique location. Once the product is registered to that barcode, no other product can be ordered with that barcode.

A COMPREHENSIVE APPROACH TO INVENTORY MANAGEMENT:

With labels in place, customers can easily scan and track the inventory to know where it is, how much is on hand, and how much will be needed. KeepStock® additionally offers opportunities to secure inventory through their inventory vending machines, while also offering additional inventory space through the KeepStock® truck.

WHAT BENEFITS DOES KEEPSTOCK® OFFER SUPPLIERS?

1. KeepStock® does not open the door, but makes sure your product is the only product the customer continues to buy if it is managed in the KeepStock® program.
2. KeepStock® customers are growing twice as fast as customers without installations – this could increase your sales if they use your products.
3. KeepStock® accounts are growing 15% more than their pre-installation run rates – this could increase your sales if customers use your products.



WHAT DOES A CUSTOMER NEED TO RUN KEEPSTOCK®?

The KeepStock® program can be run through the Grainger mobile app. All scanning, ordering, and tracking can be carried out right on your smart phone, and all reporting takes place on your computer.

“A PLACE FOR EVERYTHING AND EVERYTHING IN ITS PLACE.”



CASE STUDY: WINFIELD MANUFACTURING PLANT



HOW DOES WINFIELD USE KEEPSTOCK®?

For the last three years, Winfield has employed KeepStock® to manage its janitorial needs. About 25 SKUs are currently managed under the system in the plant's tool crib, with an additional 300 managed in the past.

WHO MANAGES THE INVENTORY?

Every Friday, a Grainger Inventory Management Specialist spends time at the Winfield plant checking the inventory levels. This specialist helps the purchasing managers set inventory maxes and minimums, recognizes the buying patterns, and creates a report stating the inventory levels in the plant. Generally, the purchasing managers receive this report following the inspection conclusion, and receive a suggestion of purchase orders as well. The report is usually available within 20 minutes, and the newly ordered product can be on the shelf in 24-48 hours.

HOW DOES KEEPSTOCK® MAKE WINFIELD MORE EFFICIENT?

The inventory management system has directly impacted the bottom line at the Winfield Production Plant:

1. KeepStock® has taken “the monkey off the purchasing managers’ backs”. The managers can forget about inventory and focus on other things that are more important to the plant.

2. KeepStock® has eliminated wasted product (product ordered assuming there is no inventory, when there actually is), and this saves thousands of dollars per year.
3. KeepStock® has made the job of the Tool Crib Attendant much easier, and increased the efficiency of workers because of it – there are no longer any long lines waiting for inventory, so workers are able to get to their jobs sooner and work longer.
4. The Grainger Inventory Management Specialist keeps the Purchase History Register for the plant – this is another major part of inventory management that can be referenced at any time, but no longer has to be recorded by the plant management. This history can be useful later for the creation of cost-benefit analyses.
5. The Grainger Inventory Management Specialist knows the buying patterns of the plant, and to this day, the plant has never run out of any inventory and always has what it needs.

“THERE IS NOTHING WORSE THAN RUNNING OUT OF TOILET PAPER AT A PLANT WITH 850 WORKERS. KEEPSTOCK® MAKES SURE THIS DOESN'T HAPPEN – IT'S FLAWLESS.”
- SHARON SIMPSON, MANAGER, MATERIALS AND PURCHASING



CASE STUDY: MOGADORE MANUFACTURING PLANT

HOW DOES MOGADORE USE KEEPSTOCK®?

For the last several years, Mogadore has employed two different forms of KeepStock® to manage its manufacturing needs. Mogadore uses six inventory vending machines, and a large inventory holding room. The vending machines vend everyday needs for the factory workers – gloves, ear plugs, and the like. The inventory storeroom contains items such as janitorial supplies, marker pens, batteries, etc. This inventory does not go towards any asset associated with the cost center.

WHO MANAGES THE INVENTORY?

Three times a week, a Grainger Inventory Management Specialist spends time at the Mogadore plant checking the inventory levels. This specialist helps the purchasing managers set inventory maxes and minimums, recognizes the buying patterns, and creates a report stating the inventory levels in the storeroom. The specialist maintains a register of the barcodes so any specialist is able to track the inventory if he or she has the register. The vending machines are electronic, and send updated information on the inventory holdings each day.

“KEEPSTOCK HAS ELIMINATED OUR BOTTLENECK. IT'S A REALLY GREAT PROGRAM.”

- DONA NEAL, SOURCING LEADER

HOW DOES KEEPSTOCK® MAKE MOGADORE MORE EFFICIENT?

Vending Machines

1. KeepStock® has completely eliminated the long line at the Tool Crib desk. With close to 600 employees needing gloves and other items each day, the line used to delay workers' arrival to their shift. With KeepStock®, there are six machines located right beside the areas where employees clock in, making the system much more efficient. The vending machines allowed Mogadore to eliminate its bottleneck – shifts not starting on time due to long lines.
2. With only one inventory distribution point in the past, workers would have to use their entire break just to replace gloves that were no longer suitable. Now, workers having their break leads to more efficient work.
3. The vending machine sends reports to management about how many of each item were taken, along with who took them. This report allows management to eliminate waste and come up with new solutions to common inventory misuse problems.

KeepStock® Storeroom

1. KeepStock® has eliminated the purchasing manager's responsibility of managing inventory – he or she is now able to completely entrust this management to the specialist.
2. If a minimum is close to being reached, Grainger is able to have a restock to Mogadore by the next day.

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