



## 1. Situation

- Global automotive service and repair company operating in 11 European countries
- 650 branches / mobile service perform 3,000,000 jobs per year
- Mix of wholesale and retail distribution
- Grown by acquisition
- Customer expectation increasing business
- Margins reducing
- High supply chain costs

## 3. Deliverables

- Established business requirements and customer needs through country workshops and interviews
- Analyzed the 'cost to serve' by product category indicating tradeoff between stock level and service
- Evaluated the cost differences of alternative sourcing options
- Determined cost of lost sales at current service level
- Developed supply chain options with cost and service impacts

**Discreet  
Manufacturing  
Industry**

## 2. Key Issues

- Country supply chains autonomous with different systems
- Mix of sourcing policies and corresponding purchasing costs
- Inventory policies, stock level and service experience vary widely
- Little understanding of customer requirements or cost of service, and no customer service measures
- High level of damage and product double handling

## 4. Results

- Reduced total supply chain costs 12% within first year
- Established country best practices and increased sales 5%
- Reduced service level costs by € 9M
- Realized savings of € 5M from changes in sourcing policies
- Reduced total working capital by 30% and had significant positive impact on cash flow

"Our growth through acquisitions had created a complex maze of processes and business practices. Conequity helped to simplify the issues and guided us through procedures that led to breakthrough performance."

**VP-Integrated Supply Chain, Global Tire Manufacturer**