

PACKAGING DISTRIBUTOR CUT INVENTORY BY 13% WITH DYNAMIC SAFETY STOCK FEATURE

CUSTOMER PROFILE

A national paper and packaging distributor specializing in Just-In-Time (JIT) deliveries outgrew its legacy system. Through 40 years of experience, the company managed a complex supply chain with 32 distribution centers across the US, serving over 50,000 SKUs, 80% of which are custom-made for their clients. They source materials from a vast network of over 1,400 unique suppliers. However, their reliance on outdated technology created significant efficiency gaps across the team.

“WE SELECTED BLUE RIDGE
BECAUSE OF IT'S SIMPLE, YET
SOPHISTICATED SOLUTION.
THE ALL-IN-ONE SCP & IBP
TOOL OFFERED US BOTH
AFFORDABILITY AND A HIGH
RETURN ON INVESTMENT.”



BLUE RIDGE

CHALLENGE

The legacy system had major restrictions, such as limited forecasting options, static safety stock & lead times, manual PO entry, and unreliable Supplier Order Quantities (SOQs).

SOLUTION

Blue Ridge's software automated demand forecasting and built complex purchase orders instantly. The dynamic safety stock feature allowed for a significant reduction in inventory within 90 days of going live.

RESULT

13%

INVENTORY REDUCTION
IN FIRST 90 DAYS

< 6

MONTHS
TO GO-LIVE

BE SUPPLY CHAIN INVINCIBLE

“ OUR CUSTOMERS WILL BE IMPRESSED TO KNOW HOW SOPHISTICATED OUR SUPPLY CHAIN PLANNING TOOLS ARE.”

MEASURING SUCCESS

In the paper & packaging distribution industry, change management with any new technology can be difficult, but results speak volumes. To reinforce Blue Ridge's importance to the business, this paper & packaging distributor measured results and effectiveness using the following KPIs:

On-Time & In-Full (OTIF): Sales orders to the distributor's customers had a 10% higher OTIF rate Year-Over-Year (YOY), even while maintaining 12% less inventory.

Monthly Inventory Valuation: Inventory dropped 13% within the first 90 days of implementation and is trending 13% lower, on average YOY.



THE BLUE RIDGE DIFFERENCE

The Blue Ridge solution provided a variety of features that positively impacted the business. Some of these feature included:

- **Linked Items:** This allows the company to identify historical trends for customer orders regardless of different suppliers, providing a holistic and reliable forecast to anticipate customer demand with greater precision so that customers' products are stocked in the right place at the right time.
- **Kitting:** In addition to anticipating customer demand at the individual item level, Blue Ridge can forecast the independent demand for kits made of multiple component items.
- **Multi-Echelon Inventory Optimization (MEIO):** The Blue Ridge solution analyzes the company's entire supply chain network to precisely calculate the daily inventory needs based on customer demand and the distribution network's intricacies.
- **Reports & Automation:** The distributor can rely on Blue Ridge's automated tools and leverage reporting & analytics for clearer visibility, resulting in data-driven decisions and consistent improvement.

Ultimately, the paper & packaging distributors' customers are the end recipients of these benefits. They can rely on this business to fulfill orders on time due to a streamlined supply chain process powered by Blue Ridge.