

# 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 However, their reliance on outdated technology created significant efficiency gaps across the team.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.”

## THE BLUE RIDGE DIFFERENCE

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

## 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.

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.