



# Case study: Cutwel



# Cutwel

Established in 1996, Cutwel is the UK's number one precision engineering cutting tool distributor, supplying a diverse customer base of over 12,000 businesses.

Customers range from small-scale sole traders with manual machines to leading manufacturers with state-of-the-art machining centers.





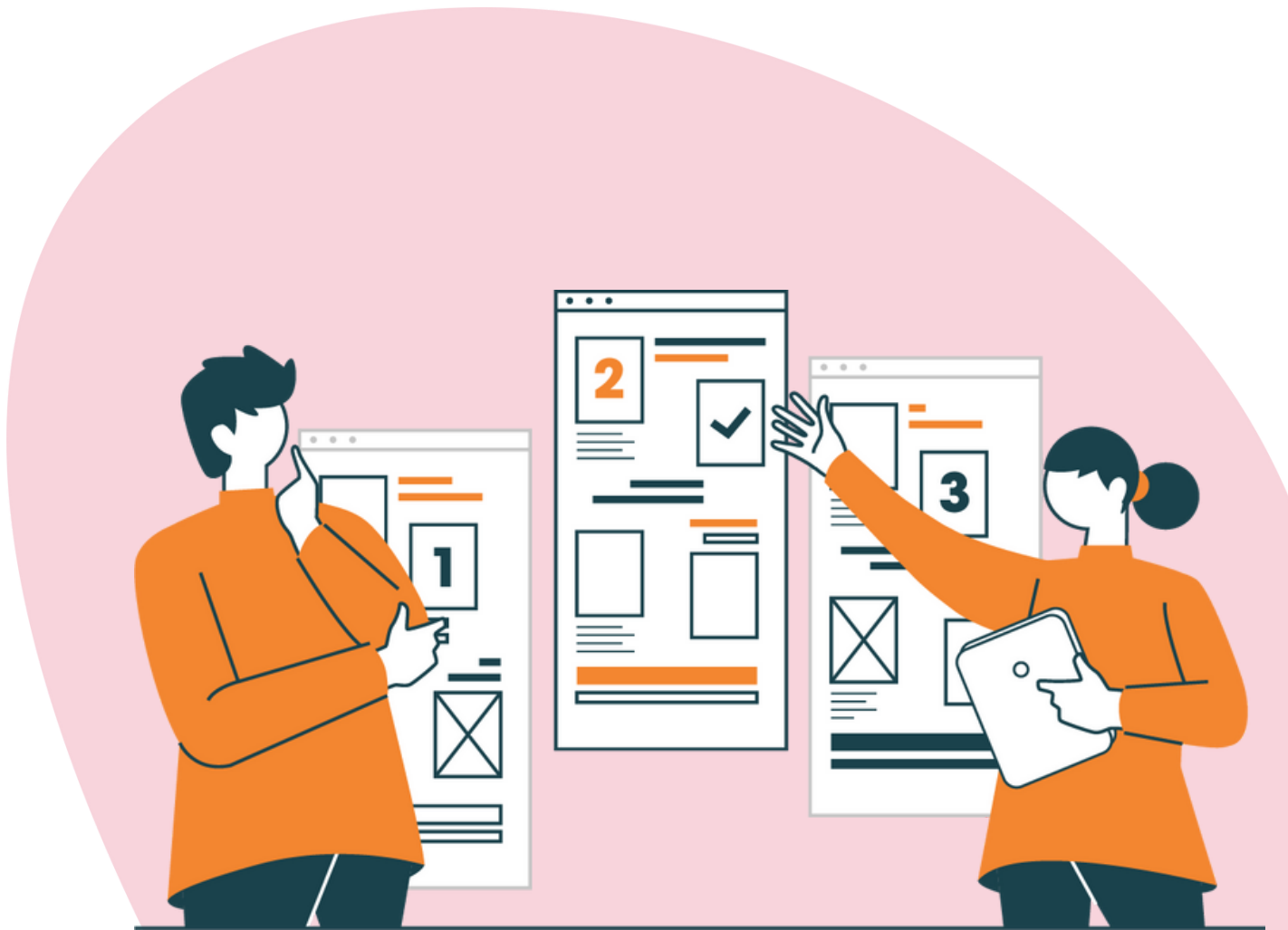
## The challenge

**Cutwel's success brought some significant challenges. Managing a hefty 35,000 SKUs with almost 500,000 non-stocked items (95,000 available on the website), the team at Cutwel receive between 800 and 1,000 orders daily and accepts 50 to 60 deliveries from 75 suppliers.**

Relying on multiple spreadsheets created problems and headaches, leading to errors in the procurement process. The wrong items were being ordered, and lead times weren't clear, which led to overordering and ordering too frequently. On top of that, forecasting was solely based on historical data, overlooking market trends and economic situations.

When Katie Ellis joined Cutwel in 2019, she was tasked with organizing the warehouse before taking on the purchasing team in 2022. As Head of Operations and Procurement, she knew that outdated spreadsheets wouldn't cut it anymore and that something needed to change.

Following an internal review of the purchasing department, Katie decided to look for a solution and decided inventory optimization software was the way forward. After researching three suppliers, Katie agreed that EazyStock's functionality, excellent training set up and the connector with their ERP system, Merlin, made it the clear choice.



**The solution**



# The solution

**Katie and her team started using EazyStock in October 2022 with four objectives in mind.**

Improve on-shelf availability



Eliminate spreadsheet reliance



Enhance resource management



Attain accurate lead times



Katie knew that EazyStock's functionality would address their forecasting shortfalls, which would, in turn, help with availability. Automating inventory management processes would bring structure to ordering, provide more visibility and put an end to spreadsheets.

To get the team at Cutwel up and running, the training promised during Katie's research was more than delivered by EazyStock's customer success team. Marek Glaszewski and Mark Chapman provided the training in manageable sessions to make it easier to digest and understand.

*"I think what's great about Mark and Marek is that they are not the usual techy lot," explains Katie. "They all come from supply chain backgrounds and understand our frustrations and issues. I like that Mark and Marek get as excited as I do about improved stockouts!"*



**The results**

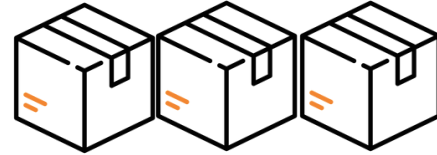


## The results

*“When we first started, we were ordering parts up to six times a month. Now the maximum we’re ordering is just up to three times a month...it’s reducing carriage, packaging...we’re saving from our largest supplier, about £1,500 per month. EazyStock paid for itself just after a month and a half.”*

Since implementing EazyStock, order frequency has reduced significantly, saving Cutwel around £1,500 per month from their largest supplier alone. Freight costs have been cut, while sales have increased by 10%.

The impact has been substantial, and the benefits tangible:



Reduced stockouts on active stocked parts by 25% in April 2023



Decreased freight costs from one supplier of more than £1,500 per month



Improved ordering pattern, with an increase of 5% in active stock levels (sold in the last 12 months (LTM)), which is less than the 10% sales increase



Reduced average number of dispatches from 1.33 to 1.13 year-on-year in March 2023, which is over 100 fewer dispatches per day



"When we first started, we were ordering parts up to six times a month. Now the maximum we're ordering is just up to three times a month...we're saving from our largest supplier, about £1,500 per month. **EazyStock paid for itself just after a month and a half.**"

**Katie Ellis**

Head of Operations and  
Procurement



What's not to like about the positive impact seen to Cutwel's bottom line? Fewer dispatches have seen savings on freight out, picking, dispatching, packaging, and labor, leading to happier customers and improved relationships. Not to mention the environmental benefits of reduced emissions and packaging waste.

The enhanced level of information from EazyStock provides the necessary insights to facilitate better collaboration with sales, marketing, and customer care. Armed with accurate lead times and delivery information, Cutwel's team can manage orders and communicate with customers more efficiently.

Thanks to EazyStock's demand forecasting capabilities, Katie no longer relies on historical sales for forecasting data. Instead, they maintain just the right amount of stocked items, which reduces warehouse handling and carriage costs while boosting on-shelf availability.

Katie explains how EazyStock is helping where products with erratic or volatile demand have been tricky to manage due to the vast range of product types.

***"We have a long tail in some items to provide what our customers want, but EazyStock allows you to put a function in to say always hold one unit of this item, for example."***

Optimizing Cutwel's inventory has totally changed how they work, modernizing their processes to save money and meet their objectives.

***"We want to continue to grow, and we needed to get into the twenty-first century, and I feel like we have done now"***, finishes Katie.



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**Find out more**

**To find out how EazyStock can help your  
business, get in touch.**

**Book a demo**