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Case study: Central States Industrial



Central States Industrial

Central States Industrial (CSI) provides components and systems for hygienic processes used across multiple industries including dairy, food and beverage, pharmaceuticals and personal care.

From their headquarters in Springfield, Missouri, CSI offers distribution, service and repair, installation and custom manufacturing to customers across the globe.





The challenge

When CSI replaced their ERP, they soon realised it didn't have the same inventory management capabilities that they were used to and relied upon. With 30,000 SKUs to track across four distribution centres, CSI needed a new solution - fast. However, they were not looking for a simple replacement. Instead, they wanted a system to take their inventory management capabilities to the next level.

CSI had several requirements. For starters, they wanted forecasting and demand management functionality above and beyond what their new or old ERP could deliver. With the old inventory management system, the buyers had to manually update the demand type for each SKU to get the best forecast possible, which was time-consuming and inefficient. The team also wanted to improve how they managed inventory across their multiple US distribution centres. They were looking for a way to track the volume of SKUs in each location, identify surplus items and reassign them to other sites where they were most in demand. Using existing stock first would help reduce the need to purchase additional inventory.

"We were used to having inventory management integrated with our ERP system. We weren't willing to give that up. With so many SKUs to keep track of across many channels throughout our supply chain – multiple suppliers, multiple distribution centres, multiple ways to serve our customers – we realised that we'd need to find a new solution that could meet our needs."

Keri Potter, Director of Supply Chain and Logistics





The solution

CSI evaluated a number of inventory optimisation solutions and ultimately chose EazyStock because it:

- 1.Offered a robust solution with functionality that exceeded their expectations.
- 2. Provided flexibility for CSI in both production and distribution, with override capabilities as an option.
- 3. Had a great price point that made it easy to pitch into upper management.

EazyStock was integrated with CSI's new Epicor ERP to provide three key benefits. Firstly, to automate and improve forecasting; secondly, to save money by redistributing items to the locations where they were most needed; and finally, to improve the 'health' of their inventory by minimising excess and obsolete stock.

"This was a very tricky time for our purchasing team. They were learning to use both our Epicor ERP and EazyStock at the same time. We knew we needed to keep our inventory management running smoothly, so once we had chosen EazyStock, we decided to get started right away."



The results

Since Central States Industrial started using EazyStock in 2018, they've seen consistently positive inventory management results.

EazyStock has proven even more robust than their previous inventory management solution.

For example, previously, CSI had to manually update the demand types of every SKU in their ERP. With EazyStock, every SKU is automatically analysed and sorted into one of nine different demand types. This determines each item's forecast for the next period, which CSI imports into their ERP to help place orders at optimal reorder points.

"In our old ERP, the demand type was static until we went in and manually changed it. With EazyStock, it's now automatically updating demand types based on transactional history, so we know the correct demand type is being applied to every one of our thousands of items." EazyStock also automatically creates alerts on the inventory summary screen if demand exceeds the forecast. This way, the team doesn't need to comb through every inventory item to see where they may fall short; instead, the advanced warnings allow them to easily assess where they may need to pick up more inventory.

In addition, CSI has seen improvements in how they redistribute stock. Before placing an order with a supplier, buyers can simply check if the SKU is overstocked in another of their distribution centres. This saves CSI money by using up existing inventory and freeing up warehouse space.

With EazyStock automatically managing demand forecasts and offering redistribution capabilities, CSI has decreased excess stock by 17% while increasing their healthy stock (stock offering a high ROI) by 29%.

Support from the EazyStock team also made it easier for CSI to integrate their new tool into their daily routine. The initial training combined with an accessible Customer Success Manager helped CSI use EazyStock to its fullest extent. Overall, since using EazyStock, CSI has seen a 20% increase in sales while only increasing their stock level by 12%.

"EazyStock made it as easy as possible for us to get up and running. They're always available to answer questions or address our concerns. The time EazyStock has devoted to answering questions and explaining how and why things work has helped grow our knowledge. This has allowed us to leverage the tool quickly and see positive results." "In our old ERP, the demand type was static until we went in and manually changed it. With EazyStock, it's now automatically updating demand types based on transactional history, so we know the correct demand type is being applied to every one of our thousands of items."

Keri Potter Director of Supply and Logistics

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Find out more

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

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