

TRI INDUSTRIES' KEY TO INVENTORY PLANNING

Sage Inventory Advisor saves money and time



This non-profit cut costs and improved customer service with one simple and affordable app to enhance their Sage ERP



Customer

TRI Industries

Industry

Manufacturing Laser
Toner Cartridges

Location

Vernon Hills, IL

System

Sage Inventory Advisor
& Sage 100

TRI Industries is a non-profit with a specific mission: employing people with disabilities to manufacture laser toner cartridges that are sold commercially and to the federal government.

Since 1977, the organization has been providing stable, reliable jobs in Chicago while delivering a quality product to their customers.

Insufficient inventory planning

Like many businesses that have been operating for decades, some of the company's supply chain processes and procedures were becoming outdated.

According to Jay Burrell, Vice President and COO at TRI, they even had someone build an inventory replenishment application to provide some much-needed guidance. Although it worked,

the system wasn't as thorough as they needed and it took far too long to use.

"It would take about a half a day to run our inventory levels," Burrell said.

"It was basically a min-max system. It worked well, but it just couldn't look at things like lead times. It wouldn't look at special overstocked inventory. It wouldn't look at anything that had trending data. We knew there was a better option."

Finding the right solution

That's when Burrell had conversations with their trusted partners at MicroAccounting Solutions, an ERP software consulting company with offices throughout the Midwest. It was the same

sage Inventory Advisor

company that helped TRI with their Sage 100 deployment.

"They have a thorough understanding of our business and they've become a really trusted advisor," Burrell said of the team at MicroAccounting.

"They had mentioned Sage Inventory Advisor to manage and control our inventory, and it was a natural fit for us."

After just one brief presentation about Sage Inventory Advisor's user-friendly dashboard, classification matrix, and sales forecasting, the decision makers at TRI were ready to optimize their inventory.

"I've come from other environments that have used similar programs, and I fell in love with it at first sight," Burrell said. "At the end of that hour presentation, we said, 'This is absolutely what we need to move forward with our plans.'"

Immediate benefits

TRI has been using Sage Inventory Advisor for about six months, and they created baseline performance goals they would judge the app by.

For example, TRI had a very respectable fill rate of 94% when they implemented Sage Inventory Advisor, but they wanted to boost that figure up to 96%.

"This morning I looked and we are at a 97.8% fill rate," Burrell was happy to report.

The key is smarter replenishment, which requires looking at a handful of inputs to make the right decisions. Sage Inventory Advisor does the heavy lifting for TRI, and they make better decisions as a result. And that directly leads to improved profitability.

Taking control of replenishment

"It showed us how many inventory dollars we had in excess of what we needed. It gave us the ability to focus our attention

in a number of different areas to help get our inventory under control," Burrell said.

"Sage Inventory Advisor gives you the ability to take control of your inventory instead of letting your inventory run out of control," he added.

Improving their inventory replenishment process quickly led to reduced costs.

"In looking at how we've manipulated the app, really taking charge of our own inventories, we've been able to reduce our inventory costs by 33%," Burrell said.

Reducing inventory expenses can provide cashflow for other opportunities, as TRI quickly discovered.

"If you can reduce your inventory carrying costs and your inventory levels, that frees up cash to do other things," Burrell said. "If you can do that and improve your customer performance, that's a win-win all the way around."

Easier ordering saves time

With Sage Inventory Advisor's dashboard breaking down the key items and issues, the time savings has also been monumental for TRI. And what about that replenishment process that used to take half a day? That's a thing of the past.

"With Sage Inventory Advisor, the whole buying process from start to purchase orders being out the door is down to about 45 minutes," Burrell said. "If you think about it, that's conservatively an extra 15 hours a week that you get back."

Asked if he would recommend the app to other businesses that deal with inventory, Burrell offered high praise for the app and the implementation team.

"Sage Inventory Advisor tapped into a universal solution for anybody who's looking at improving their inventory," he said. "(Our results) speak to the power of the software...and to the excellent training program, too."

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Jay Burrell, Vice President and CEO, TRI Industries