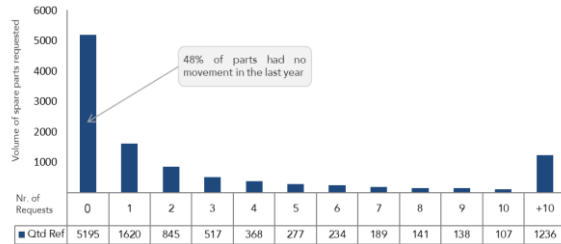


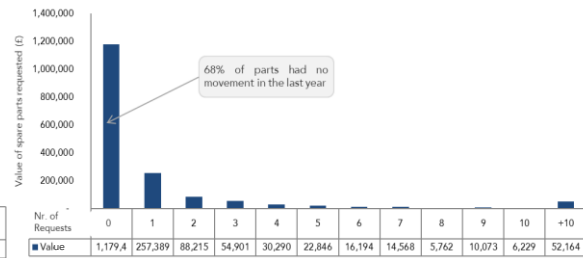
Spare Parts Planning

PICTURES BEFORE

Volume of Spare Parts and Number of Requests



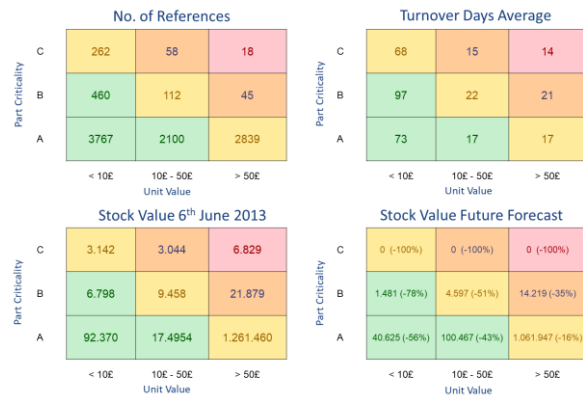
Value of Spare Parts and Number of Requests



PICTURES AFTER



Spare parts classification system



Stock composition

Problem

- 48% of spare parts stored were not consumed over the past year
- 68% of the value of spare parts was not consumed over the past year
- 150 requisitions per day for spare parts
- 60% of spare parts have a supply Lead Time of 1 to 3 weeks

Root causes

- Replenishment of spare parts done in an ad-hoc way, depending on experience and a gut feeling
- Lack of structured information for stock analysis
- Low level of process automation contributed to errors

Solution approach

- Creation of an information structure that allowed for the classification of parts according to criticality and consumption
- Implementation of Replenishment Levels for each part, to be updated automatically based on consumption from the last 36 months
- Implementation of Safety Stock to guarantee 99% parts service level
- Spare parts with low consumption are not managed through Replenishment Levels but through just-in-time ordering
- Study of suppliers to define the delivery Lead Times with precision

Benefits

Savings
£479k

