



OPTIMIZE YOUR SUPPLY CHAIN

Across all industries, the Supply Chain is the most commonly overlooked operation within an enterprise, yet it is one of the most important. From upstream operations in procurement to downstream operations in distribution and delivery, there is tremendous risk involved with ensuring high-quality and efficient processes throughout the Supply Chain.

Case Study

A medical device manufacturer had weak front-end controls in place to qualify new components and products during the product development plan process. There was also a lack of tools used to manage the existing supply base. Tefen teamed with the organization to create a supplier risk management tool to rate and rank existing suppliers and define categories of current supplier relationships to guide the sourcing group's initiatives. Tefen also developed a process to control unqualified components from being designed into products. The new processes were adopted globally and have bolstered quality performance metrics.



Case Study

A hospital network had central storerooms located at each hospital location in which warehousing activities took place. There was no inventory visibility and inventory was stored at multiple locations throughout the hospital. In order to reduce operating expenses, Tefen was asked to create a distribution and replenishment system. Through leveraging a centralized distribution center and technology deployment for inventory visibility at the hospitals, Tefen was able to develop and implement a model that saved the network over \$12 million annually.

Risk Mitigation

Understanding the supply channels for raw materials, components, sub-assemblies, medical supplies, and medications is paramount to the sustainability of success. As more of the world gets involved in manufacturing, the number of potential suppliers for all industries grows exponentially and as market pressures increase, so does the desire to use the least expensive supplies. Inexpensive supplies and high quality don't often align and so an organization is faced with the task of managing a growing supply base while nurturing supplier relationships and enforcing expectations. Maintaining customer satisfaction through on-time deliveries with minimal inventory shortages hinges completely upon the reliability of the Supply Chain.

Efficient Processes

Defining the best balance between central and local distribution processes fosters downstream efficiency gains. In some cases, leveraging capabilities of a centralized distribution center can create significant savings in labor, fulfillment processes, and inventory carrying costs. For other cases, utilizing a hybrid system to capitalize on the strengths of both processes is the best choice and offers similar savings. Breaking out of the status quo to aggressively pursue efficiencies through new distribution models is a time consuming and data heavy task and becomes more when midstream and downstream Supply Chain processes are overlooked.