EFFICIENCY ENGINEERS
Business Optimization Experts

Performance **Improvements** | **Productivity** Enhancements | **Cost-Saving** Initiatives | **Positive** Change | Dramatic **Results**

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Case Study: Unique Material (BOM) Research - Business Intelligence

Innovative Healthcare Products, Services & Educational Programs (IHP))

- **Categorized Data Enables Profitable Decision Making**

The Challenges

IHP provides contract manufacturing service to original equipment manufacturers (OEM) for items such as tubing and connectors. These are produced to customer's specifications, which may include specialized raw materials and subassemblies. IHP needed to determine which subassemblies and raw materials were completely unique to each OEM product. Over 5000 finished good SKUs required research to determine if IHP could substitute existing materials or subsequently increase prices. Minimal data was available resulting in a massive yet essential project. Efficiency Engineers were hired to provide expert data evaluation.

Efficiency Engineers Solutions

Efficiency Engineers' extensive data analysis provided a list of subassemblies unique to OEM finished goods, as well as a unique list of raw materials used exclusively in OEM subassemblies or finished goods.

- Several sets of data were evaluated including the base data on all finished goods and their complete bill of materials.
- Query development and analysis provided conclusions that could be utilized to make decisions.

All results and trends were supplied to IHP in an easy to understand format allowing for quick and profitable decision making.

Results

Efficiency Engineers' data analysis and report provided IHP with crucial information allowing the management team to implement changes resulting in reduced inventory and increased profits.

- The number of SKUs managed in inventory declined by 13%.
- An annual savings of $350,000 derived from modifications to inventory management and the supply chain.

Efficiency Engineers' evaluation allowed IHP to improve its work methods while substantially increasing profits.