

Nature's Way® (Part of Schwabe North America, Inc.), Green Bay, Wisconsin, U.S.

Nature's Way Boosts Supply Chain Performance with Easy, Affordable Tools

Quote

"Our partnership with GIB has enabled Nature's Way to double the size of our operations without costly increases to our staff, hardware or other resources. The benefits of these supply chain tools have been felt throughout the company, from our production lines to our warehouses to our purchasing team."

Jean Trembl, Materials Director, Nature's Way

Challenges

- Lower inventory levels without impacting service levels
- Enable company growth without increases to workforce or resource utilization
- Meet aggressive increased production targets

Benefits

- Inventory reduction of \$2.7M within 7 months, while maintaining service levels
- Increased manufacturing throughput
- More efficient resource utilization
- Less change overs, retooling and downtime
- Increased inventory turns
- Data-driven decisions in real time
- Easy user adoption with rapid time-to-value
- Project delivered on budget on time

Solutions

- SAP ECC 6.0
- GIB Dispo-Cockpit
 - Planning module
 - Operations module
 - Controlling module

Managing Growth with SAP

Nature's Way has been America's leader in herbal medicine for over 40 years, offering coconut oil, herbs, probiotics, vitamins and minerals. In 2013, the organization doubled in size after acquiring another company, creating the need for an enterprise system to manage its supply chain operations. Having previous experience with SAP ERP, Materials Director Jean Trembl was confident in the scalability of SAP, but knew additional functionality and usability were needed to hit aggressive targets. After consulting with their German operations, Trembl decided the G.I.B Dispo-Cockpits were the perfect answer to deliver the required productivity and efficiency boosts to handle increased workloads.

Unlocking Supply Chain Efficiencies

Nature's Way began its G.I.B Dispo-Cockpit journey in 2013 with the implementation of the Planning and Operations modules. The modules made an immediate impact on the production team by optimizing production order sequencing, thereby enabling longer production runs, fewer lines changes, more efficient resource utilization, and greatly reducing overall production costs.

“The ability to manage double the number of SKU’s or item numbers without increasing our supply chain team, along with improved production efficiencies gave us the confidence and quantifiable results needed to move forward with the implementation in other phases of our supply chain process,” said Treml.

In 2015, the company turned to the GIB Dispo-Cockpit Controlling (DCC) module to increase inventory turns using advanced planning simulations, while also enabling real-time, data-driven decisions for stocking strategies, service level targets and safety stock levels. The use of service level target simulations helped Nature’s Way to optimize safety stock, and key figures management helped them evaluate “dead” and “slow moving” stock. In addition, the graphical Range of Coverage Matrix helped Nature’s Way evaluate lot sizing techniques.

“Our Controlling module implementation opened the door to many welcome changes to our strategic inventory approach,” said Treml. “We quickly shifted from reactionary activities to far more proactive, strategic activities. GIB DCC allowed us to reduce overall inventory by \$2.7M within the first 7 months, while maintaining service levels.”

The purchasing team also utilized the Operations cockpit to increase the company’s buying efficiency and effectiveness by uncovering opportunities to buy in bulk or combine existing materials, ensuring the lowest material costs while reducing staff time, effort and errors.

Thanks to the implementation of GIB, Nature’s Way is positioned to run optimized and handle even more growth in the coming years without incurring the significant costs commonly associated with a fast-growing business.

Company:

Nature’s Way® (Part of Schwabe North America, Inc.)

Industry:

Consumer products

Products:

Coconut oil, herbs, probiotics, and vitamins and minerals

Headquarters:

Green Bay, Wisconsin

Website:

<http://www.naturesway.com/>