Niche Manufacturing

Case Study

Forsyth Advisors was engaged by a $23M electrical equipment and power solutions company to reduce lead times, risk, and material costs.

This engagement resulted in $1.2M annualized cost savings, 50%-90% lead time reduction while reducing price, well over $1M cash improvement, and significant ancillary benefits to the supply chain.

Outcome

$1.2 Million
Annualized Cost Savings

Live Master Price List
For Building Costed BOMs

50-90%
Lead Time Reductions

Significantly Reduced
Risk to Regional Materials Exposure

Our Approach

Expedited Search: Finding immediate relief to issues in parallel to the long-term solution

Negotiations: Worked with incumbents with long standing relationships and advantages to bring them in line with the current market

Second Country Sourcing: Set up suppliers In alternate countries with unique raw material sources

Configurator Support: Set up a process for simplifying pricing updates automatically pulling standard parts

Challenges Resolved

Material Shortages: Supplier placed the company on allocation far below need

Out of Touch with Market: Several commodities had not been tested against the market following years of increases

High Inventory: The company was inundated with inventory in response to long lead times

Bidding/Estimating Process: Long time to provide estimates to customers and uncertainty that inputs were up to date