

Dedicated process orientation in purchasing operations

A new product generation triggered changes in the entire supply chain organisation



New product generations necessitate the review and adaptation of the purchasing strategy. The key factor is its resolute implementation – also for existing products.

The Client

- Uster Technologies AG (formerly Zellweger Uster AG), Uster, Switzerland
- Leading supplier of quality inspection and measuring systems in the textile sector; production locations in Switzerland and the USA, plus over 50 sales and service subsidiaries worldwide.
- Turnover: Approx. CHF 150 million; number of employees: approx. 500

The Objective

- Simplify the logistics processes
- Ensure a demand compatible, consistent quality level
- Minimise overall costs

The Solution

- Conduct a detailed audit of purchasing activities
- Reduce manufacturing depth (outsourcing of SMT production, plastic injection moulding, sheet-metal working)
- Conduct a strategic materials analysis and develop a purchasing and product group strategy
- Introduce institutionalised supply management including a periodic supplier feedback system
- Early integration of purchasing staff and key suppliers into the product development process
- Reduce the number of suppliers and intensify cooperation with key ones
- Reorganise the goods-inwards processes; deliveries direct to the production shops with interchangeable bins
- Revise and adapt the production planning principles
- Introduce term-contracts with fixed replenishment times and batch sizes for the 75 most frequently purchased components

The Client Benefit

- The entire supply chain process has been reorganised.
- Storage and, consequently, inventory costs were cut massively.
- Ability to react to fluctuating demand and change was significantly improved.
- Despite outsourcing, the supplier base was reduced by over 30%.
- Continuous improvement process is now anchored within the organisation.