



Vail Industries takes a long-term view towards our business. They have **consistently reduced** our direct and indirect packaging cost year after year. We both have benefited.”

Fortune 1000 Manufacturer to the Banking Industry

### NEED

A Fortune 1000 firm required a single source vendor to manage its 1590 part numbers and over 1.4 million packaging units. The targeted cost savings of the initiative was \$125,000.

### SOLUTION

- Establish a vendor managed inventory program to reduce on-site customer inventory and increase cash on hand
- Perform packaging audits to reduce materials and labor required to safely ship products
- Streamline purchase order and invoicing process to reduce transaction costs

### BENEFIT

- Reduced annual warehousing costs by **roughly \$60,000**
- Packaging audit resulted in a cost **savings of \$120,000**
  - **Pre-assembled units**
  - **Hybrid packaging solutions**
  - **Optimized materials**
- Reduced the number of purchase orders required annually by **500** resulting in an **annual savings of \$8,000**

Reduced annual warehousing costs by

**\$60,000**



Packaging audit results in cost savings of

**\$120,000**



Reduced annual purchase order costs by

**\$8,000**



Total cost savings of

**\$188,000**

