

REFLEX PLANNING SOLUTIONS

CASE STUDY

OF T G LYNES

Full company name	T G Lynes
Parent company	
Region (s) of operation	United Kingdom
Vertical industry	Building Supplies
Horizontal industry	Wholesale Distribution
Turnover	£25m
Number of locations	1
Key business goal	Achieve a quality Forecast and Inventory Plan
Results achieved:	
Availability improvement	improved by 25%
Inventory	reduced by 25%
Service level	maintained consistently at 98%

MEETING STOCKING CHALLENGES

T.G.Lynes is one of the foremost independent suppliers to the mechanical services, heating, plumbing and air movement industries. The company prides itself on success brought about due to its wide range of stock of up to 15,000 products which should, ideally, always be available to their Customers, who increasingly demanding a one-stop shop for building supplies.

The business operations key facility is a purpose built Distribution centre in Enfield, London.

The challenge is to generate an accurate forecast of demand, optimise Stocking policy parameters to generate a time phased Safety Stock quantity to use to generate an optimized Supply Plan across all 15,000 products.

GLOBAL SUPPLY SOURCING

Reflex immediately understood the logistical implications of a relatively large number of suppliers some based locally in the UK while others from all around the globe.

And with today's obligation to stock broader product lines with shorter shelf lives, we recognised that by improving efficiencies within the supply process, T G Lynes could maintain its competitive edge.

The solution involved the installation of the Reflex Demand and Supply Chain management tool Reflex works together with T G Lynes' current systems to automatically generate accurate forecasts that responded quickly to market demand. The tool then analyses the Stocking policy parameters to determine the optimum settings that delivered the lowest Inventory cost while maintaining a target Service availability over a 12 month horizon.

This delivered both time phased stock levels and a supply plan for the business with purchase orders based on robust procedures and analysis.

SIMPLE, STRUCTURED SOLUTIONS

Brian Day, Supply Chain Director at T G Lynes, says: "We're Plumber's Merchants and we knew we needed a system to forecast our products and order just the right amount of stock at just the right time. We looked for fairly simple, focussed software that did what it said on the tin, what I refer to as a bolt-on plug and play job.

“Reflex delivered a product that required minimal changes to our existing systems and processes. The product configuration and other implementation processes were primarily performed at Reflex’s offices once completed the System was installed and running within the same day.

The achievements can be quantified: inventory has been reduced by 25%, while availability of most lines increased to an average of over 98% and our service level has been maintained consistently above 98.5%. Reducing our Inventory while improving our Service availability is a double winner, it doesn’t get much better than that’.

BEYOND SOFTWARE

“One of the principal challenges was adapting our business to longer and more complex supply chains, involving suppliers from low cost economies in Europe and Asia,” comments Andrew Burnett, Supply Chain Manager at T G Lynes. “Reflex guys helped us implement a supply chain that took into account the increased risk and enabled us to plan and manage our inventory much more effectively.

“Overall, we have improved profitability by increasing stock turns through a combination of a reduction in inventory and improved sales performance. In addition, greater visibility within our supply chain has given us improved confidence in our ability to manage inventory.”