

## CLEANROOM INVENTORY MANAGEMENT SUCCESS STORY

### LEAN INVENTORY MANAGEMENT PROGRAMME REDUCES COSTS FOR PRODUCTION ENVIRONMENT

#### Problem

A medical diagnostics manufacturer was struggling to address the high costs of managing cleanroom consumables inventory. A **VWRCATALYST™** Lean Six Sigma Business Process Consultant (BPC) assessed current processes, including warehouse management, requisitioning, procurement, receiving and cleanroom supply. Using lean methodologies, such as activity-based costing and value-stream analyses, the assessment showed that the cost to create and issue a purchase order (PO), receive, put away and deliver to cleanroom areas represented more than \$33 000 in non value added activity or expense.

#### This high cost was the result of:

- Using a paper-based requisitioning system
- Redundant processes for determining reorder quantities
- Unnecessary order reviews and approvals
- Warehouse pallet positions for raw materials for manufacturing
- Receiving and issuing from the warehouse management system, resulting in additional non value added labour

#### Solution

The BPC developed an optimised future state to demonstrate how a lean inventory management process could eliminate non value added activities. The goal was to maintain quality, control the procurement process, improve end-user satisfaction, and reduce the cost by streamlining requisition inventory product use.

#### Problem

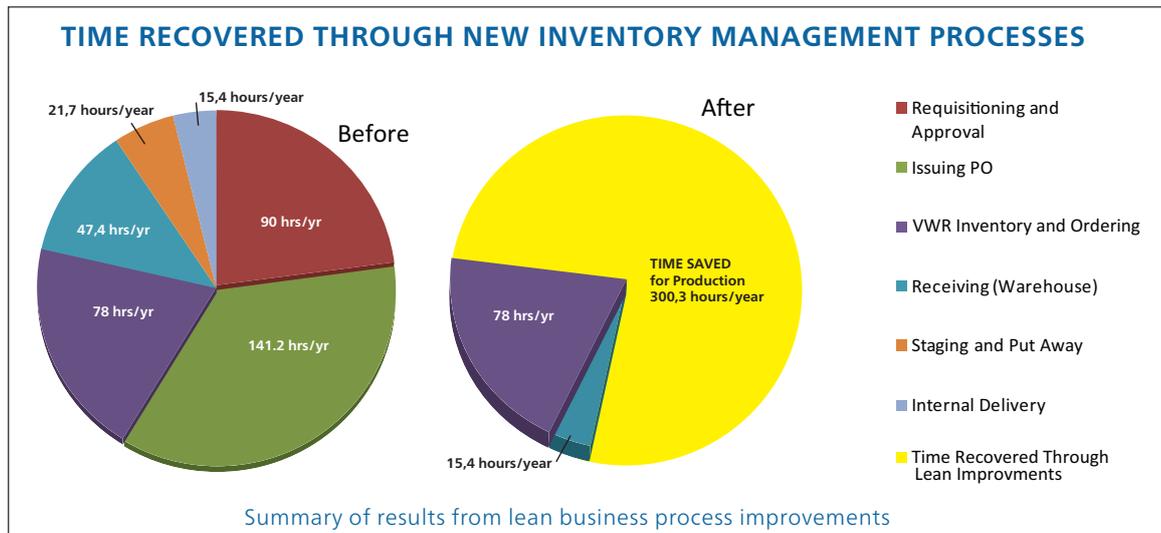
The time and expense of managing cleanroom consumables was too high for a medical diagnostics manufacturer.

#### Solution

**VWRCATALYST** assessed the process and recommended a programme that streamlines product delivery to the point of use.

#### Result

A reduction in acquisition and process cost of **\$11 318**, recovery of **\$7224** in warehouse space, and elimination of **\$14 722** in excess inventory.



## Results

The new process eliminated the receiving labour costs of data entry into the ERP system. Direct delivery to the point of use locations by-passed the receiving department's process of storing material in their warehouse and the associated work of inventory maintenance. The new process also eliminated a complex paper-based process of issuing out of the warehouse and the associated system entry that was required. **VWRCATALYST** also improved organisation at the stocking locations, leading to a neater appearance and better functionality of the inventory points of use.

Streamlining the receiving and issuing processes has reduced the amount of time spent on inventory by more than **300 hours per year** and resulted in direct labour savings of over **\$11 000 per year**. The recovery of warehouse pallet positions saved **\$7224 per year**, and excess inventory valued at **more than \$14 000** was eliminated.

Are your scientific resources being wasted on non research activities? **VWRCATALYST** has the skills, knowledge and experience to support research productivity improvement at your organisation. Visit [VWR.COM/VWRCATALYST](http://VWR.COM/VWRCATALYST) or email [VWRCATALYST@vwr.com](mailto:VWRCATALYST@vwr.com) for more information.

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- Powering productivity
- Improving quality, safety, and regulatory compliance
- Reducing total operating costs

### Our services include:

- Procurement and Supply Management
- Laboratory and Production Support
- Scientific Support
- Equipment and Instrument Services
- Lean Six Sigma Process Consulting