

CRANE WORLDWIDE CASE STUDY : NABORS

Identifying Problem

- Customer had an estimated \$100M of inventory from hundreds of international suppliers in the pipeline at any given time from multiple regions
- Lack of visibility to global inventory within each warehouse and in transit to final destination
- No cycle time stability for warehouse processes or transportation
- The effect of the aforementioned issues had significant financial impact on the customer which lead to:
 - Over purchasing by destination
 - Expedites and charters utilized to meet demand
 - Inventory carrying cost of approximately \$12M at any given time

CWW Customized Solution

Crane Worldwide developed a number of documented processes to address each of the customer's needs:

- Created a multi-vendor consolidation solution with a state of the art P.O. management system to manage all customer shipments
- Established a dedicated expediting team and process to decrease cycle time from suppliers
- Documented a detailed OS&D resolution process to decrease delays prior material receipt
- Standardized the consolidation process and air and ocean shipping schedules



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CWW Customized Solution Continued...

- Provided tracking to final consignee delivery for all shipments including those managed by customer appointed agents at final destination
- Established detailed metrics with defined KPI's to increase performance visibility
- Enhanced web tools to provide complete supply chain visibility

Delivering Results

- Decreased average cycle time by approximately 28 days
 - Estimated decrease in inventory carrying cost of approximately \$2.24M at any given time
- Cost plus model utilized with incentives decreased transportation costs
 - 22% estimated annual decrease in total transportation spend
- Provided complete visibility to inventory on a global basis
- Enhanced understanding of supply chain capitalization throughout the world
- Provided predictable cycle times
 - Enabled purchasing of materials based upon a predetermined shipment schedule versus on-demand orders
 - Majority of cost savings realized through the decrease in expedited air and charter shipments
 - Greater utilization of ocean consolidations for further cost savings

About Crane Worldwide

CWW is committed to developing and implementing supply chain solutions that will greatly enhance our customers' competitiveness in this ever-changing global arena. Contact us to see how we can add value to your supply chain.

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