

Case Study

Delivering Reliable Customized Solutions

NewStream Enterprises (NewStream) received a request for quote (RFQ) for single parts packaging from one of its current on/off highway original equipment manufacturer (OEM) customer, who was dissatisfied with its current service provider, a NewStream's competitor.

After being awarded the business, NewStream stepped in, ensuring not only an easy transition from the prior supplier, but also to exceed the OEM's specified metrics, improve efficiency, and offer considerable cost savings. The company was able to secure a lease for a new 135,000 square foot building that was fully operational in just 30 days, significantly beating the OEM's transition goal of 120.

The inventory was managed out of two systems by NewStream personnel: NewStream's Real-Time (RT) system and the OEM's system. NewStream implemented a wireless landscape where employees utilized iPods in an armband carrier to access an abundant amount of information in RT, which also allowed NSE to report daily to the OEM critical information.

The wireless landscape helped move product through the warehouse quickly, allowing NewStream to be able to turn product in this single parts packaging operation on a 2.4 day on average, consistently beating the OEM's goal of three days and the previous facility's six day turns. The operation brought in 50,000 pieces per day on average, shipping ten trucks per day to nine parts distribution centers (PDCs) and up to 400 critical orders per day to over 3000 direct dealer locations.



Improvements Across the Board

Transformed a 135,000-square-foot building into a fully functional facility in 30 days, 90 days ahead of the OEM's 120-day plan.

Achieved a 2.4-day average product turn-around time, beating the OEM's 3-day goal and the 6-day turn-around time of the prior supplier.

Surpassed the quality goal by 60%, with only two errors per 10,000 lines shipped.

Expected to save \$700,000 to \$800,000 as a result of the improved efficiency and customer support.

The Challenge:

A large on/off highway original equipment manufacturer reached out to NewStream for single parts packaging after becoming dissatisfied with their current service provider's customer service and turn times.

The Solution:

NewStream quickly secured and transformed a new facility apart from its headquarters. This facility, which was operational in a month, catered to a wide range of needs, including the single parts packaging to an in-house woodshop. The team upheld inventory, streamlined operations, and facilitated daily reporting to the OEM while improving efficiency and product flow by utilizing NSE's RealTime (RT) system and a wireless landscape.



Summary

A NewStream's existing customer who is an on/off highway original equipment manufacturer (OEM) put in a request for quote for NewStream's single parts packaging after being dissatisfied with their current service provider. NewStream swiftly secured a lease for a fully operational 135,000 square foot facility within 30 days, outpacing the OEM's 120-day expectation. With this new location for single parts packaging, as well as the RealTime (RT) system and wireless landscape implementation, NewStream was able to turn product in this operation on an average of 2.4 days, bring in 50,000 pieces per day, ship ten trucks per day to nine parts distribution centers, and improve quality metrics, with error rates dropping to two per 10,000 lines shipped. This collaboration is expected to save the OEM \$700,000 to \$800,000 per year with an increase in efficiency and customer support.



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