



A breath of fresh air

Leading UK manufacturer of breath alcohol meters turns to Delta Impact to consolidate its supplier base over a phased supply chain management process.



With stock levels rising, the small purchasing team at Lion Laboratories were finding it increasingly difficult to meet growing material demand and reduce costs whilst managing a vendor base in excess of 150 suppliers. With this in mind the company decided it was time to re-consider the way it sourced its components and turned to Delta Impact for a strategic solution.

In order to achieve better material costs the company had been suffering hidden 'overheads' associated with the need to place larger orders or face adverse delivery schedules resulting in spot purchases at a cost premium. The task for Delta Impact was clear. Following careful evaluation Delta consolidated over 65 suppliers including the costs associated with the logistics and consignment stock holding. This streamlining represented a direct cost saving of 9% with the added benefit of reducing stock levels and lead-times.

By working closely with Lion Laboratories, Delta Impact has

- Taken on the management of over 250 different line items
- Initialised and set up consignment stock
- Implemented pull-based systems for all lines linked to usage patterns
- Provided training where required
- Reduced the amount of stock in the supply chain
- Targeted further reduction of MOQ's and lead-times

Following the successful transition and completion of phase 1 of the project the Delta and Lion teams are now working together on phase 2 to introduce some lower cost components with comparable quality and functionality into their product range, to enable Lion to continue to lead the way in an increasingly competitive market.

Manufacturing Director at Lion Laboratories, Ian Jones, is delighted with the results since partnering with Delta. Commenting on the relationship he said:

"By aligning with Delta Impact and using them to manage our supply chain means that we are now far more able to concentrate on our core strengths and continue R&D into new product designs. This in turn means that we are now well positioned to capitalise on our growth plans and move the company forward".