CASE STUDY

Sherwin Williams

Background

- *$1 billion paint manufacturer*
- *34 brands, 20,000 SKU's*
- *Highly seasonal*
- *Excess inventory*

Demand Management

Segregated demand into key market groups

Developed the value proposition for each

Mapped demand to major product groups and production facilities

Inventory Simulation Modeling

Developed "cycle plan" options for production

Monte Carlo Simulation model accurately calculate optimum level

Measured service and inventory policy

Manufacturing Planning and Control

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Management Processes work with ERP

Control system changed to Rate Based to max. capacity utilization

Master Schedule reduced to 4 days

Results

Service by segment to over 95% perfect orders

Inventory reduced by 40%

Operating cost reduced

New specialty paint product line for profitable growth