

IZAR Cutting Tools

BUSINESS CHALLENGE

IZAR Cutting Tools SAL, is an employee owned company, manufacturing and distributing industrial grade cutting tools (drills, end mills, taps...) to distributors, in more than 80 countries around the world.

Recognized internationally and domestically as a global leader, Izar has received the EISEN award at the Cologne Show in 2014 as best CSR initiative in Europe, best supplier in the distribution chain in Spain in 2015 by AECOC, and best supplier by ASIDE the major organization of industrial distributors in Spain.

With a stellar reputation for products and service, Izar had several issues related to their supply chain. Their MRP system had more than 65,000 articles and 1,500 work in process (WIP) orders. Customers were increasing their demand for:

- Same day service
- New personalized products that resulted in lower manufacturing lots

This implementation was supported by



SOLUTION

Using the proven Demand Driven MRP (DDMRP) methodologies in the Replenishment+® from Demand Driven Technologies has enabled IZAR to integrate planning and forecasting into a single corporate-wide management tool.

The solution allowed the company to respond to real market demand, rather than forecasts based on past experience, enabling better resource allocation.

With the dynamic Replenishment+ buffer positioning algorithms built into the solution, planners can now efficiently perform raw material and production planning, as well as finished product purchases. The results have been incremental – reduction in global inventory, improved manufacturing capacity utilization and better optimization of supply chain bottle necks.

With these significant improvements in their supply chain, Izar has achieved record revenues of 2 digit sales growth, two years in a row.