



**Pivot**  <sup>TM</sup>

**Case Study**





## The Customer

A North American manufacturer that produces thousands of different retail products must deliver on time to avoid costly penalties. As a licensee for a portfolio of brands, this manufacturer needs to continually prove its products meet an imposed standard of quality in order to retain its license. The supply chain extends overseas, where both component manufacturing and some final product assembly takes place.

## The Solution:

With Pivot88, the manufacturer has gained unprecedented supply chain insight delivered in real-time to any computing device. This includes the ability to manage production milestones, receive real-time alerts and escalations, and evaluate and compare supplier performance. A strategic benchmarking dashboard helps the manufacturer efficiently stay on top of orders as well as track, filter and sort production data.

## The Challenge:

Poor quality components received at the North American facility resulted in a very high cost of quality. Rework costs, delay penalties, overtime, airfreight, order chasing and crisis management had a large impact on profitability.

An inconsistently applied and problematic inspection process led to highly variable quality outcomes, resulting in the need to re-inspect all products at the North American facility. A non-uniform paper-based reporting system caused further delays, confusion and an unmanageable email trail.

The Pivot88 solution brought much needed control and transparency to the inspection process at all stages of production, eliminating inconsistent paper-based reporting. Supplier performance can now easily be measured using powerful analytics. Real-time inspection status is available anytime via a daily management control panel that tracks, filters and sorts inspection data.

# Implementation of Pivot88™

The Pivot88 solution was successfully implemented and 150 employees in six factories were trained within ten days, allowing the customer to realize benefits quickly. To assist both the manufacturer and suppliers with adoption, culturally sensitive training workshops were held with each supplier. Additionally, every factory nominated a Pivot88 Champion who received more extensive training as well as 24/7 access to phone and web support.

## Results:

As a result of deploying the Pivot88 solution, the manufacturer was able to successfully increase quality, shorten lead times and boost process efficiency. A reduction in costs occurred for many departments including retailer chargebacks, overhead, HR and airfreight.

### Specific results include:

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- 46% improvement in inspection efficiency
- 40% reduction in defect rate
- 20% reduction in retailer chargebacks
- 10% reduction in negative consumer feedback
- Accessibility of information in real-time
- Availability of comparative analytics
- Traceability of reports and evidence