

AND



**Company:** BoundTree Medical – Rich Hardman Director of Procurement

**Profile:** BoundTree Medical is a multi-regional supplier of emergency medical supplies, everything from drugs, bandages, stretchers to medical mannequins. BoundTree is the supplier of all the items you would find in an ambulance. They currently have 8 regional warehouses and are headquartered in Ohio.

**Business Problems:** As BoundTree continued to grow it found its regional service level plateaued at 90%. Questions about how much to carry, where to stock the item and which items to carry created a lot of diverse practices among the buyers. BoundTree was looking for a systematic solution that implemented best in class inventory practices.

**The Approach:** In May of 2005 RockySoft implemented Demand Manager, Requirements Planner, and Exception Signals. As part of the implementation, RockySoft iterated on service level and stocking strategy simulations, to determine the approach that would balance the service level goals with the inventory exposure. BoundTree also used RockySoft as consultant with regard to training the company on the fundamentals of EOQ, Demand Variability and Supply Variability. The intent was to create a set of uniform inventory management practices within BoundTree that valued the customer service and the cost of inventory.

**Competitive Advantage Created by RockySoft's Solutions:** The business process automation provided by RockySoft has:

- Increased service levels to 95%
- Doubled turns on active inventory
- Allowed BoundTree to grow 30% in revenue, without hiring any new buyers.

**Future:** RockySoft continues to be an active business partner driving best practices of inventory management, and stays responsive to BoundTree needs.