

The Profit Impact Of Vendor Performance

24-Month Results Of A **\$3 Billion** Multinational Retailer



Lead Time Variability
Improvement: **12%**

24-Month Inventory
Cost Savings: **\$200 million**



Fill Rate Improvement: **9.8%**

Degradation Of
In-Stock Performance: **0%**



Starting Safety
Stock Requirement: **18 days**

Ending Safety
Stock Requirement: **12 days**



On-Hand Inventory Reduction: **50%**

Dollars Saved Per
Inventory Cycle: **\$4 million**