

# molex

## INVENTORY AND TOOL MANAGEMENT

Consumer product goods manufacturer deploys asset tracking to offset rising inventory and tool management costs based on return on investment (ROI) analysis: total labor, total raw material, finished goods inventory reduction, and increase in inventory accuracy and total inventory turns.

### BUSINESS CHALLENGE

Managing tools and inventory is a constant challenge as this manufacturer attempts to efficiently manage inventory. The existing process assumes that all assets are placed in the correct bins and inventory locations. This is not always the case as human error or missing inventory labels can lead to product misplacement.

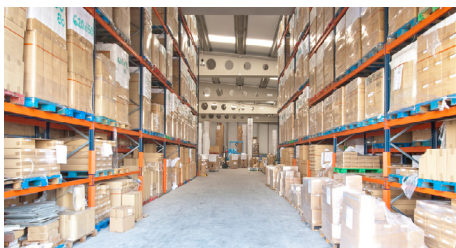
This situation has many ramifications ranging from inventory discrepancies to equipment not being serviced. Discrepancies affect the P&L statement, while equipment that is not serviced may cause production downtime. Either situation may cost the company hundreds of thousands or millions of dollars per year.

This company tracked inventory discrepancies over 1 year and identified the following:

- Over \$1 million in inventory discrepancies
- Increased inventory cycle counting, requiring 7 employees and 2 weeks
- Delays in servicing equipment, with downtime potential affecting production, shipment delays and total revenue

### ASSET-TRACKING SOLUTION

The company installed a passive tracking system consisting of RFID tags, stationary and handheld readers, and software. RFID tags and labels were applied to all inventoried assets—tools, parts and equipment—accounting for every item and ensuring each was staged in its proper location.



### MOLEX ASSET TRACKING SERVICES



*On-site surveys and analysis of each customer's specific needs—enable the delivery of a solution with optimal effectiveness and ROI*



*Full implementation services—remove from the customer the burden of installing equipment and software; streamline deployment*



*Ongoing professional services—monitor effectiveness of asset tracking performance and implement adjustments when necessary*

### BUSINESS IMPACT

Reliable, low-cost and time-saving asset tracking:

- 90% reduction in inventory discrepancies
- Inventory cycle counting required only 1 employee for 2 to 4 hours
- Equipment downtime potential reduced

### THE MOLEX ADVANTAGE

Molex Asset Tracking solutions encompass RFID tags, real-time asset tracking architecture and software, as well as professional services such as installation and ongoing assistance, that enable cost-effective, efficient and accurate monitoring of valuable inventory and assets.

### INDUSTRIAL (OIL & GAS), INDUSTRIAL AUTOMATION (FOOD & BEVERAGE, ROBOTS), AUTOMOTIVE

- Warehouse—asset and inventory management
- Production
- Supply chain visibility
- People tracking
- Device and rental tracking
- Security access control

**Learn more: Molex Asset Tracking Solutions**

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