Optimization and Automation of Vendor-Managed Inventory (VMI)

Heidelberger Druckmaschinen guarantees its VMI-customers high availability of consumables for their printing business. Ensuring uninterrupted production while minimizing storage costs and planning resources is the challenge.

Find more on:
https://www.itm-p.com/hd_itm_usecase

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Overcoming VMI Growing Pains

The complexity of managing Vendor Managed Inventory (VMI) grows with the number of customer locations. Scaling the service requires a solution that can automate the material requirements planning (MRP) process. ITM's AI-powered approach not only achieves this automation but also drastically reduces inventory levels and tied-up capital, while ensuring high product availability. This technology addresses the challenge of finding and retaining skilled planners in a rapidly growing business.

Vendor Managed Inventory (VMI) is a powerful business model in the machinery industry, boosting customer productivity and generating stable revenue streams that are less susceptible to economic fluctuations compared to traditional equipment sales. VMI simplifies operations for customers, transferring the complexities of inventory management to the supplier's advanced technology solutions.

 # material requirements planning
vendor managed inventory
enhanced planning

ITM Case Study: MRP VMI

AI Delivers Results Matching Top Planners

ITM's AI-powered solution rivals the performance of the most experienced planners. It delivers comparable results:

- Slightly fewer but larger orders to optimize transportation costs.
- Orders are placed a bit later, further reducing inventory.
- Safety stocks are on point.

These subtle differences between human and AI planning are key to achieving optimal outcomes.

✓ **Automation VMI Planning**
✓ **Scaling VMI**
✓ **Significantly Improve KPIs**

10% Inventory Reduction

20% Shipment Cost Reduction

Enable Growth of VMI Business

ITM