

## CASE STUDY: LAKESHORE TECHNOLOGIES

### FAST 5000 Real Customers, Real Results

It isn't just a machine; it's a full-service inventory control solution that's helping customers:

- Reduce consumption by controlling and tracking who uses what
- Improve productivity by providing 24/7 access to product at the point of use
- Automate ordering – the local Fastenal store receives an automated order when stock runs low, eliminating stock-outs and PO's
- Know what they need to know about every transaction – user-defined tracking options allow customers to track each transaction by group, job, cost center, and other meaningful criteria



FAST 5000



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*"It essentially does the job of an inventory control manager. We've cut inventory by at least 75%, and we've seen a huge drop in consumption, because people are accountable for what they're using. ... The biggest thing, from a reporting standpoint, is being able to clearly see that usage jibes with what it's supposed to be. That's huge for us."*

-Ricardo Lopez, VP of Operations, Lakeshore Technologies

### Company Overview

Lakeshore Technologies processes ingredients for the food and pharmaceutical industries, serving customers such as Cadbury, Schweppes, Kellogg's, Pfizer, and Ocean Spray. Their facility in Lakeshore, Michigan spans 75,000 sq. ft., with 7 to 8 employees per shift.

### Challenges

Like many companies without a dedicated inventory control manager, Lakeshore found it difficult to keep their stock in balance. Problems included:

- Excess inventory tied up floor space, requiring a 65-foot row of shelving with secure lockers for food-grade oils and lubricants
- Whenever a maintenance worker needed lubricants, etc., he had to track down a supervisor, taking time away from core activities

### The FAST 5000 Solution

Fastenal provided a FAST 5000 machine to vend everyday MRO consumables. It was equipped with two auto locker units to manage larger items that require check-in and check-out.

Program features include:

- Product is accessed via ID badge, providing complete usage accountability
- Fastenal manages the inventory on a consignment basis
- VP of Operations can review live usage and inventory data online and receives an automated usage report each Monday
- Custom alerts help him to ensure regulatory compliance (e.g., he receives an automated email alert when a gallon of oil has been checked out for more than 24 hours)
- Automated ordering and replenishment by Fastenal

### Key Business Results

- 75% reduction in inventory (estimated at \$20,000 per month)
- The FAST 5000 essentially replaces 65-foot row of inventory storage space
- Dramatic decrease in consumption rates
- The FDA and other auditors are impressed with the system's control of chemicals and food-grade lubricants

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**Growth Through Customer Service**