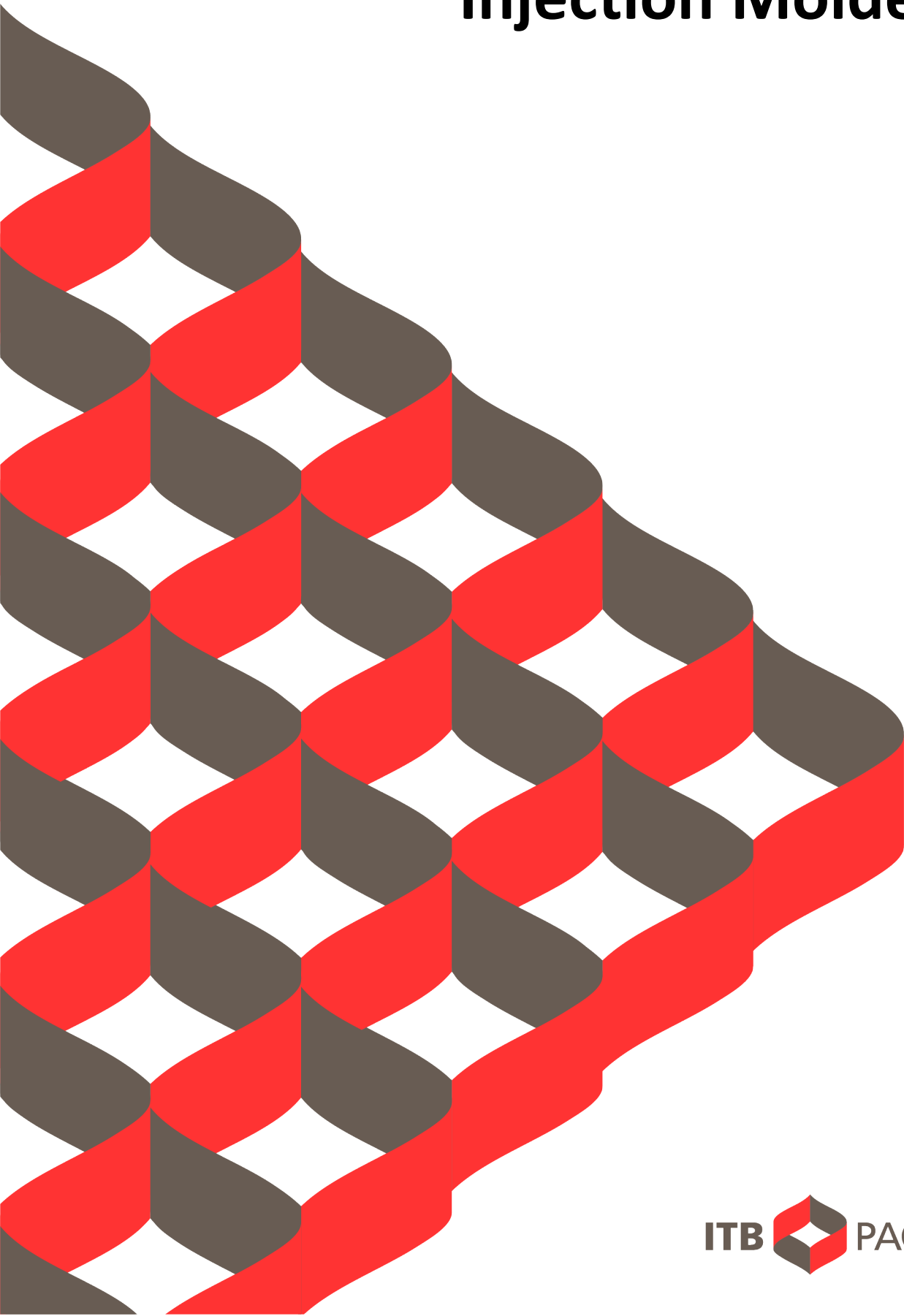


TIER 1 SUPPLIER CASE STUDY:

Injection Molded Parts



SITUATION:

Customer is a Tier 1 supplier to shipping injection molded interior trim parts 2x per week in large, corrugated totes with partitions insert sets. Their primary goal was to find a way to reduce the footprint of the part on their floor as well as reduce the cost of packaging per part.

Customer was currently receiving a 40x48 HSC corrugated tote; assembling partition inserts on-site, adding lid and shipping to Canada. The current pack out was 15 parts per pack with a cost of \$22.56 for the entire pack (not including labor for setup). The annual volume was 30,000 parts (15,000 LH and RH) so the customer was shipping 2,000 packs per year or roughly 175 per month. At 78 totes per truck, customer was shipping 2.5 TL per month or 30 TL per year.

These parts have a grained A side that can be scuffed or scratched fairly easily, and a B side with various clips and jagged edges. The difficulty with these parts, and many injection molded parts, is that they were “L” shaped and not easily nestable.



SOLUTION:

ITB proposed a few changes that increased the pack density dramatically, reduced setup time, and eliminated 2 packaging SKUs. The solution we provided was our Interleaf partitions utilizing Nomar paper.



RESULT:

This enabled the customer to put two parts in each cell, and we also changed the footprint slightly to 45x48 in order to get an extra cell in the pack. Yes, we went from putting 15 parts in pack to 32! The cost per pack did rise slightly to \$26.50 per pack, but the cost PER PART dropped from \$1.50 to \$0.83.

Also, their customer was working with them to find cost-downs and credited them with \$20,000 because they reduced their TL shipments by 15 per year.



45% COST SAVINGS PER PART 

	Parts Per Pack	Cost Per Pack	Cost Per Part
Corrugated Partition	15	\$22.56	\$1.50
ITB Interleaf Partition	32	\$26.50	\$0.83