



# Barloworld

*Leading brands*

## JustEnough Helps Barloworld Equipment Energy Increase Service Levels to 97%

### Industry

Distribution: Equipment and Parts

### Challenges

Barloworld Equipment Energy needed to reduce inventory holding levels while increasing service levels. The company also needed a better way to forecast fast, slow and seasonal trend items, as well as support its commitment to 24-hour delivery service.

### Solution

- JustEnough Demand Forecasting
- JustEnough Inventory Planning

### Results

- Inventory investment reduced by 33%
- Service levels increased to 97% on fast moving items
- Replenishment process time reduced from two weeks to one day
- Ability to guarantee 24-hour delivery on orders
- 12-month ordering projections given to suppliers
- Return on investment achieved in one year

Barloworld Energy Products and Barloworld Agricultural Products are divisions of the Barloworld Energy group of companies, a wholly owned subsidiary of leading international brand management company Barloworld Limited. Barloworld Energy Products are exclusive distributors in four countries of Perkins, Perkins Sabre Marine, Massey Fergusson, Claas Geringhoff and Amazone equipment.

Barloworld's well-established dealer network supplies original equipment and parts. There are

100,000-plus Perkins engines in the region and 40 percent of farmers are said to own at least one Massey Ferguson machine.

Barloworld wanted to improve stock turns and reduce excess stock levels.

"Stock was a black hole in which the only thing we knew was that we had to move it quicker," said Paul Deppe, chief executive officer of Barloworld Energy Products.

Barloworld established the following goals after selecting JustEnough Software's Demand Forecasting and Inventory Planning solutions:

- Increase service levels to grow sales
- Decrease investment in inventory so that stock turn values improve
- Forecast fast- and slow-moving inventory and seasonal items more accurately
- Automate order recommendations on a daily basis for the company's 24-hour delivery commitment

### Forecasting All Types of Trends

The ability to decrease stock while increasing customer service depends on how accurately historical sales trends are forecasted. Barloworld items

On spares with high demand volumes, inventory policy decisions include required service levels. Safety stocks to meet these are calculated by JustEnough.

With demand volume identifiers and other policy settings in place, inventory targets are defined that adjust in line with forecasted demand. Supplier order recommendations are available daily to keep inventory in balance.

Mechanisms to treat unexpected demand include potential stock-out and expedite supplier order statuses. Dips in demand can be counter-acted with JustEnough surplus order indicators and excess stock is tagged for reduction initiatives such as redistribution.

“With JustEnough, we can commit to 24-hour delivery.”

Paul Deppe, chief executive officer for Barloworld Energy Products

have mixed trends that include seasonal, low- and high-demand items.

On slow movers, rounding out the most accurate forecasts can cause over-ordering. To overcome this, JustEnough assigns these items to a reactive ordering process.

Required bin levels to meet service level requirements are set against individual items and then only recommended for ordering when a sale is made. Some spare parts have next-to-no sales but are critical to keeping machinery up and running. These items are prioritized for 100 percent availability using JustEnough.

JustEnough easily forecasts seasonal items more accurately, preventing lost sales in peak seasons and over-stocking in times of low demand. This streamlines Barloworld's buying of agricultural items.

### Increased Availability and Service Levels

With the implementation of JustEnough, Barloworld's inventory investment reduced by 33 percent but service levels increased to 90 percent on slow-moving items and 97 percent on fast-moving lines.

“With JustEnough, we can commit to 24-hour delivery. If a dealer places an emergency order before 5 p.m., the part is delivered by the next morning,” said Deppe.

### Increasing Productivity with New Solutions

Prior to using JustEnough, it took the Barloworld team two weeks to place orders. With JustEnough, this is reduced to one day with limited manual errors as the process became more automatic.

Using JustEnough, Barloworld provides suppliers with ordering projections.

“We provide 12-month rolling projections by part number to our suppliers, which helps them with their planning and service levels,” said Deppe.



“ Now, we can even provide 12-month rolling projections by part number to our suppliers, which helps them with their planning and service levels. ”

Paul Deppe, chief executive officer for Barloworld Energy Products

### ROI Achieved in 1 Year

JustEnough's commitment to deliver a more mature, cost-effective solution in a rapid time frame enabled Barloworld to achieve a return on its technology investment within one year. Results the company has benefitted include:

- Inventory reduced by 33 percent
- Service level increased to 90 percent on slow-moving items and 97 percent on fast-moving lines
- Ordering time reduced from two weeks to one day
- Ability to commit to 24-hour delivery on emergency parts
- Provided 12-month ordering projections to suppliers



[www.JustEnough.com](http://www.JustEnough.com)

[info@JustEnough.com](mailto:info@JustEnough.com)

+27 (11) 799-8900

### About JustEnough

Founded in 1994, JustEnough is a global leader in Demand Management solutions. JustEnough services more than 500 of the world's leading brands including Allocation and Replenishment of inventory at **Kenneth Cole**, Merchandise and Assortment Planning at **Levi Strauss**, Sales Forecasting at **Kraft Foods**, Inventory Planning for **IDS Group (Li & Fung)** and **Nissan**, and Mobile Sales Force Automation at **SAB Miller**, **Cadbury** and **Heineken**.

**OnCloud**, **OnSite** and **OnMobile**, JustEnough's Demand Management solutions help retailers, distributors and brand owners to forecast their customer demand, plan their assortments, allocations and inventory, shape their demand and then execute on those plans. JustEnough is headquartered in the United States with offices worldwide. Learn more at [www.justenough.com](http://www.justenough.com).