

**NASHUA** 

## Nashua Increases Product Availability by 95% Using JustEnough

### Industry

Speciality Distribution

### Challenges

Nashua manages a central warehouse that distributes office automation systems to more than 55 dealer franchises. Its purchase orders were manually generated, which resulted in suboptimal stock levels and a slow replenishment process. Nashua needed to overcome these challenges with new technology.

### Solution

- JustEnough Demand Forecasting
- JustEnough Inventory Planning

### Results

- Increased product availability from 70 percent to 90 percent within weeks of implementing JustEnough
- Increased product availability to 95 percent within five months of using the new solutions, leading to a 50 percent growth in sales
- Reduced stock-outs by half
- Ability to create and run a monthly forecast replenishment report daily

Nashua is a leading supplier of office automation systems (printers, faxes and copiers) for brands such as Ricoh. Nashua manages a central warehouse supporting more than 55 dealer franchises.

While each franchise is an autonomous, owner-managed business, Nashua plays a fundamental supporting role for each franchise.

The company carries more than 11,000 line items, 10,000 of which make up the parts inventory (about \$1 million) and the remaining inventory

is the company's equipment line that is valued at about \$12 million.

Prior to JustEnough, purchase orders were manually generated with the analysis of data being virtually impossible. Stock was managed on a monthly basis. Nashua's replenishment report took more than three days to manually create.

Inventory management was a web of of Microsoft Excel spreadsheets associated with a lack of

communication leading to human error, especially with regards to backorders.

As a result, Nashua was writing off more than \$1 million in redundant stock annually.

Redundant items are flagged, dramatically reducing room for human error.

## Improving Productivity With

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Kathy Allan, logistics manager for Nashua

With poor visibility into supply chain bottlenecks at the franchise level, a seemingly dramatic increase in sales was often attributed to the franchisee's poor planning capabilities and holding of excess stock.

By implementing JustEnough Demand Forecasting and Inventory Planning solutions, Nashua sought to reduce inventory, increase sales from improved availability and automate the demand forecasting and replenishment process.

### Automation

JustEnough's automation helps Nashua dramatically cut down the time and effort required for basic inventory management.

A monthly forecast replenishment report that previously took Nashua's team three days to complete is now run daily. Stock levels are analyzed daily as opposed to monthly, improving reaction times from a month to a day.

Nashua can now generate exception reports instantaneously, which include anomalies as exception alerts.

### Increasing Availability and Service Levels

Within weeks of implementation, Nashua increased its stock availability from 70 percent to 90 percent. Within five months of using the new solutions, that figure was at 95 percent.

Despite long manufacturing lead times, Nashua has managed to reduce stock-outs by half.

“JustEnough automated our manual replenishment processes by providing accurate and easy-to-use replenishment mechanisms for the buying department,” said Kathy Allan, logistics manager for Nashua.

### Improving Forecast Accuracy

Previously, each line item had to be manually evaluated for replenishment on a monthly basis. JustEnough automatically reports exceptions, which enables proactive replenishment and increases productivity by removing previously labor-intensive activities.

### Getting the Organization's Buy-In

By comparing JustEnough's forecast for previous months with actual sales for the same months, Nashua's inventory team was able to get buy-in from the rest of the organization.

Lead times have been shortened on certain items as confidence in being able to manage each item's performance has improved.

### Enhancing Business Performance

JustEnough's results are integrated back into the solution, creating a system that truly understands the needs of the business. In fact, Nashua's forecast and replenishment accuracy improves on a daily basis thanks to JustEnough.

Through weekly inventory modeling, redundant items can be flagged and excess stock trimmed in a timely manner.



“ JustEnough has enabled a team approach to ordering, which is critical for inventory optimization. ”

Kathy Allan, logistics manager for Nashua

Nashua can now react quickly to ever-changing market conditions. With JustEnough, new products can be introduced with a relatively small amount of inventory. Additionally, new items can be forecasted by mimicking patterns of existing items that are similar or redundant.

Accurate demand and inventory planning has helped Nashua increase product availability, leading to a 50 percent increase in sales.

“JustEnough has enabled a team approach to ordering, which is critical for inventory optimization. This last holiday period was our best ever,” Allan concluded.



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### 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).