

MRO PARTS INVENTORY AUDIT

Case Study: Industrial – Automotive Manufacturer

An automotive manufacturer had a problem with the company's **MRO (Maintenance, Repair, and Overhaul) parts inventory** so required a **third party audit**



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An automotive manufacturer that produces, markets, and distributes vehicles and vehicle parts with 28 assembly plants across North America.

REQUIREMENT

The automotive manufacturer's issues that required resolving were:

- The inventory of more than 6.5 million parts had an unacceptable accuracy rate
- · All parts were located in automotive manufacturing plants spanning North America
- · In-house employees could not be pulled away from other tasks to fix accuracy issues
- · Due to union regulations, the cost could not exceed current, in-house inventory costs

SOLUTION £1

RGIS worked with the automotive manufacturer to complete the following:

- Experienced RGIS teams completed two proof-of-concept inventories, to meet union regulations
- The inventories resulted in lower costs and more efficient service
- Once the bid had been accepted, RGIS teams got straight to work correcting accuracy issues in the MRO inventory
- Inventories were completed at the auto manufacturing plants over the weekends, to avoid disrupting regular operations



By outsourcing the full MRO inventories to RGIS, the automotive manufacturer had:

- · Completed full MRO inventories at 28 plants across the continent, at a lower cost than the in-house alternative
- RGIS auditors scanned 6.5 million pieces using pre-programmed handheld devices
- MRO inventory accuracy increased from a rate of 80% to a rate of 93%

By outsourcing the full MRO inventories to RGIS, the automotive manufacturer had a more efficient accurate inventory at a lower total cost than the previous in-house solution



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