

## THE CHALLENGE – MAY 2018

Purus International provides the highest level of customer service. It is at the core of their business model. However costly stock levels were impeding upon their overall ability to serve. Lokad helped them find the right way to automate and balance stock levels, allowing them to generate solid inventory planning and maintain high service levels.

Based out of California, Purus International Inc. is a manufacturer and supplier of cleanroom mats, paper products, and glove liners. At Purus, customer service is of the utmost importance. However, this was being achieved at the detriment of the company, due to the spiralling costs of being overstocked.

Maintaining the correct amount of product to ensure the highest fill rates for each customer is a challenge. It requires precision in forecasting and the ability to predict the ebb and flow of daily business, sometimes with very limited amounts of information from the end user.

Time was a currency that Purus couldn't afford to lose. Trying to come up with the right purchasing decisions could take more time than allowed, based on the complex supply chain of their products. Therefore Purus needed a tool that would automate their usage and incorporate the predictability of their customers usage.

*"The results of working with Lokad exceeded all of our expectations. Their expertise freed up our time and energy, allowing us to focus on our core business, since we knew our inventory was being managed at the most technologically advanced level possible."*

**Eric Bookland**  
VP / Product Manager  
PURUS INTERNATIONAL INC.

## IN A NUTSHELL

### WHY LOKAD

State-of-the-art forecasting technology

■ No unrealistic entry fee  
SaaS billing model

■ Very responsive and supportive team

■ Transparent selling process

### OUTCOME

- Production-ready solution ahead of schedule
- More robust inventory
- High levels of customer service achieved with less stock
- Order placement reduced from half a day to 30 minutes

**95%**

Reduction of backorders within six months of implementation

- Tailor-made dashboards to fit Purus' exact needs
- A solution used **on an hourly basis** by the team
- Improved overview of sales, VIP customers and performances
- Better visualisation of cashflow and improved decision-making

**MUCH MORE THAN A FORECASTING SOLUTION, AN ESSENTIAL TOOL TO MONITOR THE BUSINESS AT ALL TIMES**

This is why Purus decided to invest in Lokad. Lokad provides state of the art forecasting technology, mixed with machine learning and cloud computing capabilities to provide **probabilistic methods able to factor in all business constraints and specificities**. The result is refined forecasts able to reconcile high service levels and fill rates with reasonable stock levels.

As with many businesses, searching for a solution that didn't require a large entry fee is not an easy feat. Lokad was able to provide an answer without unrealistic set-up costs whilst their ability to set clear expectations on both sides, is a key differentiator from the competition.

## THE KEYS TO SUCCESS

Purus' focus on customer service made them an ideal client for implementing a Lokad solution. Their immediate responsiveness to the needs of their customers means that they need to carry more variety and inventory than their competitors. This makes the management of stock levels paramount to the success of their business.

By taking into account container shipment constraints, ordering lead times with their associated costs, and expected profitability, Lokad was able to faithfully model Purus' economic equation. Accurate purchase suggestion lists were produced for foreign and domestic suppliers thereby enabling vast reductions in stock whilst

maintaining service levels. Moreover, once the implementation was completed, **purchase lists could be computed in a matter of minutes** in an automated way, turning what used to be a very painful process for Purus' team into an easy task.

This implementation was made possible by a real cooperation between Purus and Lokad's teams. **Lokad is not just a software; it's an end-to-end service**. One of the key factors of Lokad's success is their team of **Supply Chain Scientists**, in charge of maintaining a dialogue with customers to ensure they have a full understanding of their business. During the implementation stage, weekly calls were set up whilst e-mails were replied to in a matter of a few hours despite the time difference between the two companies. This meant that the implementation was conducted as smoothly as possible, with minimal impact on daily business.

More importantly, what Lokad provides goes way beyond accurate forecasts. Dashboards were tailor-made to provide Purus with all the **graphs and key performance indicators** they needed to efficiently monitor their business: sales analyses, identification of underperforming geographical zones, follow-up of VIP customers, cashflow and more.

**Purus now use the solution on an hourly basis to monitor their business** and optimise inventory levels whilst management now have the overview required for strategic decision making.

*"The team at Lokad were thorough, supportive and guided us from start to finish allowing us to complete the project with minimal effort on our part. This gave us the time and resource to focus on other key parts of the business."*

**Eric Bookland**

VP / Product Manager at PURUS INTERNATIONAL INC.