# **Setech Supply Chain Solutions**



for entire article.







www.setech.com



### Who We Are

### **Setech Supply Chain Solutions, LLC**

Corporate Offices in

- Murfreesboro, Tennessee
- Belmont, North Carolina

Founded in 1982, manufacturing automation equipment & aircraft components Indirect Materials Management since 1988

#### People

- On-Site Labor
- Off-Site Support
- Management Team
- Client Liaison

#### **Process**

- Procurement
- Storeroom
- Technical Services
- Simplified Payables

#### Technology

- Specialized Software
- Cloud Capable ERP
- Approval Workflows
- Client Access



### **SETECH Business Model**

# Our Business is the <u>Management</u> of Indirect Materials and Selected Production Parts

- No franchised product lines
- Loyalty to the client and their best interests
- "Supplier Neutral" Best product for the application, at the best price, at the right time

### In-Scope Products Passed Through at Cost (No Mark-up)

No hidden costs / margins

### **Compensated for Services Provided**

- Dedicated on-site and shared off-site personnel
- Management fee

**Lower Operating Costs Compared to Distribution Based Integrators** 



### Pillars of Our Business

Production and **Technical** Finance **Procurement** Storeroom Maintenance Support • Equipment • Repair MRO Investment Supply Chain Storeroom Management Management Uptime Asset Turnover Management Product Cost Inventory • Maintenance Usage Analysis • Total Cost of Cost Analysis Management Optimization Productivity Ownership OEM Conversion Point of Use Expedited Consolidated Warranty Substitutions Materials Labor/Logistics Billing Recovery Communication Documented **Cost Savings** 

**SETECH Value Chain** 



### SETECH – Program Components

- Pure Integrator
  - No Manufacturer Loyalties
- Total Cost Savings Focus
- Improved Storeroom Fill Rates
- Inventory Reduction
  - VMI Consignment
- Plan for Every Part
- Warranty Recovery
- Spare Parts Repair
- Tool Calibration Management
- Obsolescence Recovery

- Production Sourcing
- Custom Parts Management
- OEM Conversion
- Reverse Engineering
- Blueprint Tooling Experience
- Share the Spare
- Electrical Expertise
- Global Experience
- Spend Optimization
- Parcel and Packaging Optimization
- PPE Manufacturer Support



## Partner Capabilities

- Electrical Component Purchasing
- Plant Electrical Infrastructure,
  Engineering, and Installation
- Substation Preventive Maintenance and Testing

- Component Sourcing
- Fabrication Services
- Power Transmission Solutions





Packaging Optimization



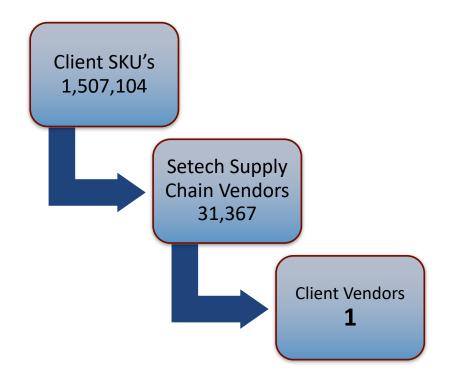
- Outsourcing and Packaging Management
- Packaging Design
- Full Equipment Supply and Maintenance

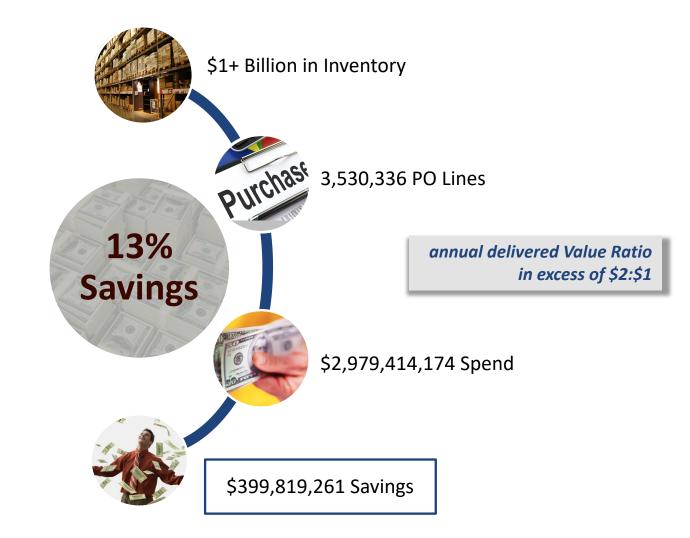
- Spend Analytics
- Contract Pricing Compliance
- AP Auditing



# Savings Centered Solutions

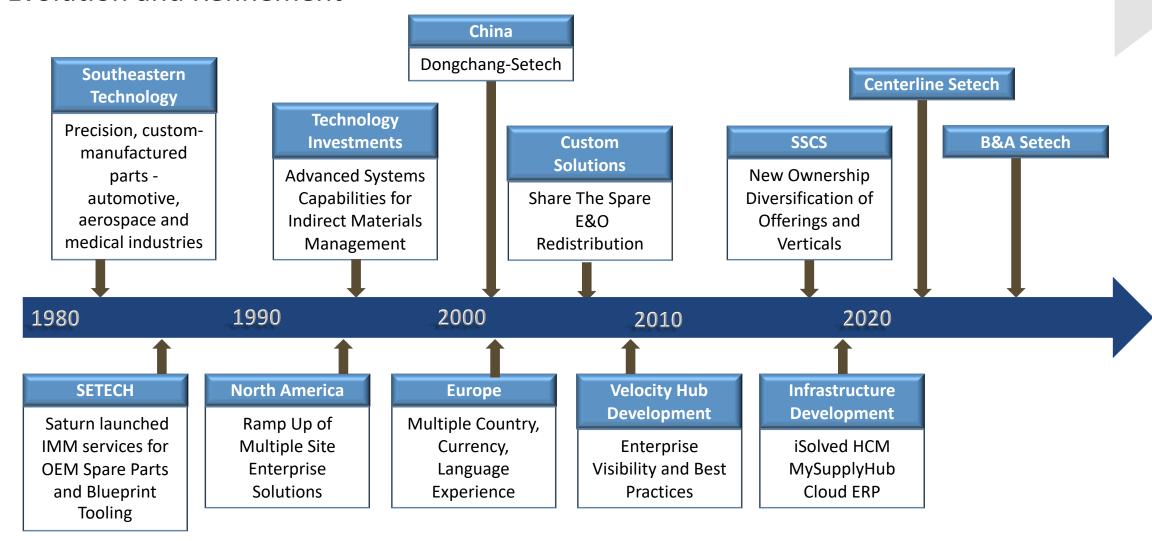
### **Historical Value Generation**







#### **Evolution and Refinement**





## Case Study 1: Delphi Automotive



Reduced inventory from \$145 million to \$70 million.

**Situation:** Delphi Automotive had 18 locations and \$145 million in MRO spare parts inventory in North America. They contracted Setech to formalize and execute a plan to optimize this inventory and reduce it to lowest level obtainable without jeopardizing production downtime.

**Complication:** None of the 18 locations were tied together and worked independently on various ERP platforms and had no visibility to other locations' inventory and assets.

**Result:** Setech deployed and implemented our world-class inventory management system to all 18 locations giving each site visibility to any location's inventory, cataloged all items at each location, and established correct min/max to be kept at the plant, based on usage through our Plan for Every Part. We then established a centralized warehouse where each site could send their excess inventory that could be deployed to any location when needed. The end result was the overall inventory burden went from \$145 million to \$70 million.



# Case Study 2: General Motors



#### **Production increased by 4900%**

**Situation:** General Motors was contracted by the Federal Government to convert from manufacturing electronic automotive components to medical ventilators at its Kokomo, Indiana plant during the peak of the COVID Pandemic.

**Complication:** Setech had 21 days to implement an indirect materials storeroom and procure all spare parts needed on Day 1 of production and set up strategic point-of-use locations for critical parts using a BOM of manufacturers we had never dealt with before.

**Result:** Setech created an indirect materials storeroom, obtained all parts needed and trained over 100 new employees in 21 days to be ready for Day 1 of production to support GM's production of 400 ventilators a day, compared to the 8 that the original manufacturer was producing.



### Case Study 3: Borg Warner



Indirect materials spend cut by two-thirds.

**Situation:** Borg Warner contracted to take over indirect materials management at one of its electronic component plants that was spending much more than anticipated with the incumbent service provider

**Complication:** Borg Warner had spent 1.5 million dollars the previous year with the incumbent service provider when they only had an indirect materials budget of \$600k for the plant and very little visibility to usage or pricing from incumbent supplier.

**Result:** Setech implemented an indirect materials program at the plant that resulted in the indirect materials spend in year one to go from \$1.5 million to \$480k without any loss in productivity at the plant.





Shriver highlighted another such recent example

a client in the chemical

situation by surve

utilizing the 5S

Accolades for our work!



Grow Company, Reduce Cost, Deliver Real Value with Setech Supply Chain Solutions.

The Silicon Review

The Setech journey began in 1982 as a manufacturer of automation equipment and aircraft components and then medical implants and surgical hands tooks. But the company todg is known for its reliability-centered supply chain solutions, which increase equipment availability through process-driven best practices in Indirect Materials Management.



The company's programs supported by Certified Reliability Leaders are completely flexible and can be configured to client requirements, scope, and scale—from Consulting to Software-as-a-Service to fully Outsourced Solutions. Setech's Pure Integrator model for Indirect Materials Management and Reliability as a Service model truly aligns with the best interests of its clients, focused on reliability, reduced spend, and optimizing assets to increase client pr

Having begun his journey with Setech as a consultant, Bill Shriver today leads the company as its CEO. We recently interviewed him to know more about how the company is leading when it comes to delivering quality solutions in its target sectors. But do for the excerpts from the interview.

#### Q. Can you explain about your services in brief?

Setech is a full outsourced Indirect Material Manager as well as a supply chain solution service provider that has been in business since 1988 (sourcing to requisitioning to inventory management to payables). Over the past 3d years we have a proven history of providing a value generation on a 2:1 ratio. That means whenever a customer invests in SETECH we will turn generate twice that much in savines.

#### ${\it Q. How successful was your first project? Share the experience.}$

Our first project was at the GM Saturn plant in Springhill, TN. It was a great experience for a relatively new compar be entrusted by such a large customer as GM. They truly have been a great partner and a settill a valued custom

Like any new startup we had many hallenges that were demanding but they were also cepting our model for Indirect Marchyl management. This led us directly to our late? "Mantee launch into amer new we tilator business last year in less than 3 w."

manufacturing consulting firm, are applying the same proven

"We're more grassroots, and prepr a 'place for everything and

We're unique because we

formation platform

methodologies, even as his competitors tend to focus more on a technology-aided supply chain transformation strategy.

everything in its place' 5S appr

Entire articles are at www.setech.com/accolades



## Serving Diverse Industries









### **CATERPILLAR**











TENNECO















































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