

HOW DO WE INTEGRATE PRODUCTS THAT DON'T VEND?

Some products simply don't fit well with a “**Vending Solution**”

Although a vending solution can be a perfect fit to better manage and control direct and indirect materials, some products do not have the routine usage needed to make a vending solution a cost savings tool, while other products simply “**don't fit**” into the slots, coils or containers well because of their size or configuration.



With EZHQ vending store, **TRUE MANUFACTURING** will receive all of the VMI experience of our Vendor Managed Inventory systems offered by Purchase Partners.

As a leader in the distribution of OEM component parts, Purchase Partners Management System delivers a MRO integrated solution that eliminates waste, seeks simplicity, and streamlines the evolution of procured parts required for manufacturing operations.

For products that don't vend well, our **VMI Solution Uses Specialized Scanning Bin Stock Systems** that create unique bin stocking identification numbers, identifying import replenishment data such as plant location/ address, MRO/ tool crib stocking location, customer part number, vendor part number, full description, stocking quantity, and more.



In addition to providing our EZHQ vending solution, our **VMI Personnel Will Organize and Monitor Your Bin-Stock Inventory on a Weekly, Bi-weekly or Monthly or Bi-monthly Basis.**

The finer, personalized details of each VMI program implemented by Purchase Partners are unique to each customer, while our VMI framework is a consistent, solid foundation for success.

Exact Order Quantities

Issue Purchase Orders that are an exact match to the quantities shipped and delivered. Maintain clear and concise control of the ordering process and your company's spending levels. Purchase Partners VMI inventory specialists can be on-site, keeping your inventory levels at a minimum while conducting inventory scans as needed.

Sample Savings Calculator

Cost Saving Opportunities Include: Reduction in Inventory Consumption, Elimination of Product Waste, Reduction of Labor Related to Pick/ Put Costs, Reduction of Labor Related to Supervisor Costs, Elimination of On-Hand Inventory, Reduction and Elimination of Purchasing and Other and Administrative Costs

REDUCTION IN INVENTORY CONSUMPTION

Est. Annual MRO Spend (\$\$)	% of Annual Spend To Be Vended
<input type="text" value="350000"/>	<input type="text" value="50"/> %

Projected Reduction In Waste

%

SUPERVISOR APPROVING DISPENSED TOOLS & SUPPLIES

AVG. HOURLY WAGE OF EMPLOYEES DISPENSING TOOLS AND SUPPLIES*	TOTAL NUMBER OF EMPLOYEES DISPENSING TOOLS AND SUPPLIES*
<input type="text" value="\$20.00"/>	<input type="text" value="3"/>

PROJECTED NUMBER OF EMPLOYEES TO BE REASSIGNED, POST IMPLEMENTATION

employees

PICK/ PUT COST REDUCITON

Hourly Cost of Employees Pick/ Put Products*

rate

Total No. of Trips Per Week Per Employee

trips

Total Minutes Per Trip Per Employee

minutes/trip

Total No. of Employees Pick/ Put Products

employees



Procurement Costs

Fully Loaded Salary Of Buyer*

\$

Number of PO's Issued Weekly for Tools and Supplies

PO's

Avg. Value (\$\$) Per PO For Tools And Supplies

\$

Time In Minutes To Send RFQ, Create And Issue A Purchase Order

mins

*Annual cost of employee for salary, taxes, benefits



SUMMARY OF COST SAVINGS

TOTAL ANNUAL SAVINGS
\$ 144,200

Reduction in Wasted Products
\$ 35,000

Dispensing Costs
\$ 80,000 *

Pick/ Put Costs
\$ 20,800 *

Procurement Costs
\$ 8,400

Purchase Partners does not guarantee the final savings amount as each customer's cost structure and operations vary.



FAQs



Getting Started with EZHQ Vending Solutions



Who is EZORDER.BIZ and EZHQ® solutions?

EZORDER.BIZ is the MRO business arm of Purchase Partners™. EZHQ® is the name of our vending solution.

How long does it take to implement a vending solution from the time I commit to Purchase Partners?

Establishing the framework within our information technology will only take a few weeks after finalizing the number of skus you want us to manage. The time needed to implement will depend on the products you wish to include, and current availability of those items from stock. Although we may have available vending machines in house, the availability of new vending machines to be placed within your facility typically falls between 6-8 weeks.

How are orders for replacement inventory issued? What triggers inventory replacement?

Together we will determine the target min/max stock levels for each sku included in the vending solution. Orders are generated automatically by each vending machine via an Electronic Data Interface. The auto-generated order is issued to Purchase Partners same day, electronically, and sent for order fulfillment. Depending on what level of vending solution is established, the inventory will either be delivered and restocked by a Purchase Partners employee directly at each vending machine or the products will be shipped to TRUE MANUFACTURING for your staff to complete the inventory placement.

Who owns the inventory in each vending machine?

Purchase Partners owns the inventory placed in each machine within your manufacturing facility. At the moment it is dispensed, ownership is transferred to TRUE MANUFACTURING and all products are invoiced.

Can we control what products and the quantities that can be dispensed by a TRUE MANUFACTURING employee? How does the vending solution know who is using what skus?

Yes. We can control what products and the quantities that can be dispensed. TRUE MANUFACTURING employees can access the vending machines by either entering in a unique employee identification number or even easier, by using their employee badge. Each system can be set up to accept a proximity card or a swipe card...the same one you may use to access to your own facility.

Does the EZHQ vending solution offer reporting opportunities to TRUE MANUFACTURING?

Yes. Our EZHQ vending solution can provide robust reports, assisting you in tracking inventory usages by department and even by each employee.

How much savings will TRUE see once an EZHQ vending solution is implemented?

Many customers may achieve a 25% to 40% reduction in consumption. With the reduction in total usage, and the elimination of on-hand inventory and administrative costs, our customers can see total realized cost reductions of up to 50%. **The new efficiencies and total realized cost savings can be significant!**