WHERE WE ARE

Gaspar/SC
Osório/RS
Alto Paraná/PR
Rio Claro/SP
Serra/ES
Campo Grande/MS
Confins/MG
Abadiânia/GO
Ciudad del Este/Paraguay

PRODUCTION CAPACITY

50,000 TON
Per month

10% MARKET SHARE
5-Years Plan

CERAMFIX
ARGAMASSAS E REJUNTES
2014 CERAMFIX SWOT

**STRENGTH**
- Products at prompt delivery
- Multiple items with equivalent BOM
- Fast setup

**WEAKNESS**
- Forecast by product families only
- Necessity for warehouse expansion

**OPPORTUNITY**
- Market share growth
- New big clients

**THREATS**
- Construction market in crisis
- Shipping costs
## DDMRP Benefits

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Typical improvements</th>
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<tbody>
<tr>
<td>Improved Customer Service</td>
<td>Users consistently achieve 97-100% on time fill rate performance</td>
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<tr>
<td>Lead Time Compression</td>
<td>Lead time reductions in excess of 80% have been achieved in several industry segments</td>
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<tr>
<td>Right-sizes Inventory</td>
<td>Typical inventory reductions of 30-45% are achieved while improving customer service</td>
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<tr>
<td>Lowest total supply chain cost</td>
<td>Costs related to expedite activity and false signals are largely eliminated (fast freight, partial ships, cross-ships, schedule break-ins)</td>
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<td>Easy and Intuitive</td>
<td>Planners see priorities instead of constantly fighting the conflicting messages of MRP</td>
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</table>
We had several clients, now we have just one, INVENTORY.
CONCEPTS

MARKET
“Right Product at the Right Place at the Right time”

INVENTORY
Strategic Inventory Positioning and Buffer Profiles

PRODUCTION
Ready to adapt to demand
WHAT WE HAVE DONE SO FAR

ORLICKY'S
MATERIAL REQUIREMENTS PLANNING
THIRD EDITION

Demand Driven Institute

TM

REPLENISHMENT™

Demand Driven TECHNOLOGIES
Technology for a Demand Driven World™

WHITE PAPERS

CERAMFIX
ARGAMASSAS E REJUNTES
**DECOUPLING POINT EXAMPLE**

**BEFORE**
- Monthly purchase orders: MOQ = smaller price
- Production Orders by Forecast Big Production Orders

**SUPPLIERS** → **RAW MATERIAL WH** → **HUB**
- HIGH VARIABILITY
- SKUS WITH SIMILAR BOM

**PLANT INTERMEDIATE INVENTORY**

**AFTER**
- Weekly Purchase Orders: MOQ = Supplier Negotiation
- SMALLER PRODUCTION ORDERS

**SUPPLIERS** → **RAW MATERIAL WH** → **SEMIFINISHED INVENTORY**
- CENTRAL PLANNING = Steady demand

**PLANT INTERMEDIATE INVENTORY** → **DEMAND DRIVEN PLANNING**

**HUB**
**DDMRP INTO OUR ERP**

**TOTVS**

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### Cadastro de Itens - Estoques Mínimo (Segurança) e Máximo

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WHERE WE ARE APPLYING

- PURCHASING
- PRODUCTION
- DISTRIBUTION
- RAW MATERIALS
- FINISHED PRODUCTS
- INTERMEDIATE PRODUCTS
MAIN RESULTS
VSM - RAW GOODS AND INTERMEDIATE FLOW

BEFORE

RECEIVING 15,1 days
SEPARATION 1 day
PRODUCTION 10,3 days
EXPEDITION 8,9 days
PLANTS 4,5 days

AFTER

12 days
1 day
8,5 days
7 days

Savings
R$ 385 K

28,5 days
4,5 days
INVENTORY SAVINGS

Main Warehouse expansion Project Cancelled

Total Inventory ($)
Revenue ($)

66.2 %
68.7 %
54.4 %

2015 2016
CUSTOMER SERVICE AND STOCKOUTS

![Graph showing customer service and stockout trends over 2017 weeks. The graph includes a trend line and data points for each week.]
NEXT STEPS

- **PEOPLE**
  - DDP Certification

- **CONTINUOUS IMPROVEMENT**

- **TECHNOLOGY**
  - DDMRP Compliance software

- **PROCESS**
  - Alerts
  - Suppliers Qualification
TO BE A SPECIALIST RESULTS IN HAPPIER CLIENTS