







FOCUS

Following a request to help improve operational efficiency, Castrol's order management team reviewed the order pattern and frequency for customer's portfolio of assets. It indicated that orders were being placed in an adhoc and irregular manner, often resulting in several orders being placed for one asset on the same day.

## **IMPROVE**

The team then reviewed the average order size per month and proposed an annual call-off order for each asset that covered monthly usage and a small buffer for unplanned requirements. This simplified the lubricant delivery schedule, reduced the amount of orders placed and hence reduced the time spent by the customers procurement team.

## **MEASURE**

Since adopting the proposal the customer has reduced the number of POs raised across its portfolio from 141 to just 35, resulting in annual savings of \$15,900.

Across the 3.5 year lubricant contract this delivers total savings of \$55.65k

Talk to your local Castrol Sales Representative to discover how we can help your business work even smarter

SMARTGAIN AREA	IMPROVEMENT		CREATED VALUE PER YEAR
••• Reduced order processing costs	Reduction in annual orders placed from 141 to 35, based on customer confirmed cost per order of \$150 (106 x \$150)	N/A	\$15,900
TOTAL			\$15,900
SMARTGAINS AGGREGATION     Total savings across 3.5 year contract			\$55,650

••• Castrol verified values •• Credible assumptions based on market knowledge • Estimated mitigated costs, risk, or created value.

Based on a case study from a single customer. SmartGain results can vary depending upon the type of equipment used, its maintenance, operating conditions, and any prior lubricant used.

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