

Utah Transit Authority

Supply Chain Best Practices in Transit

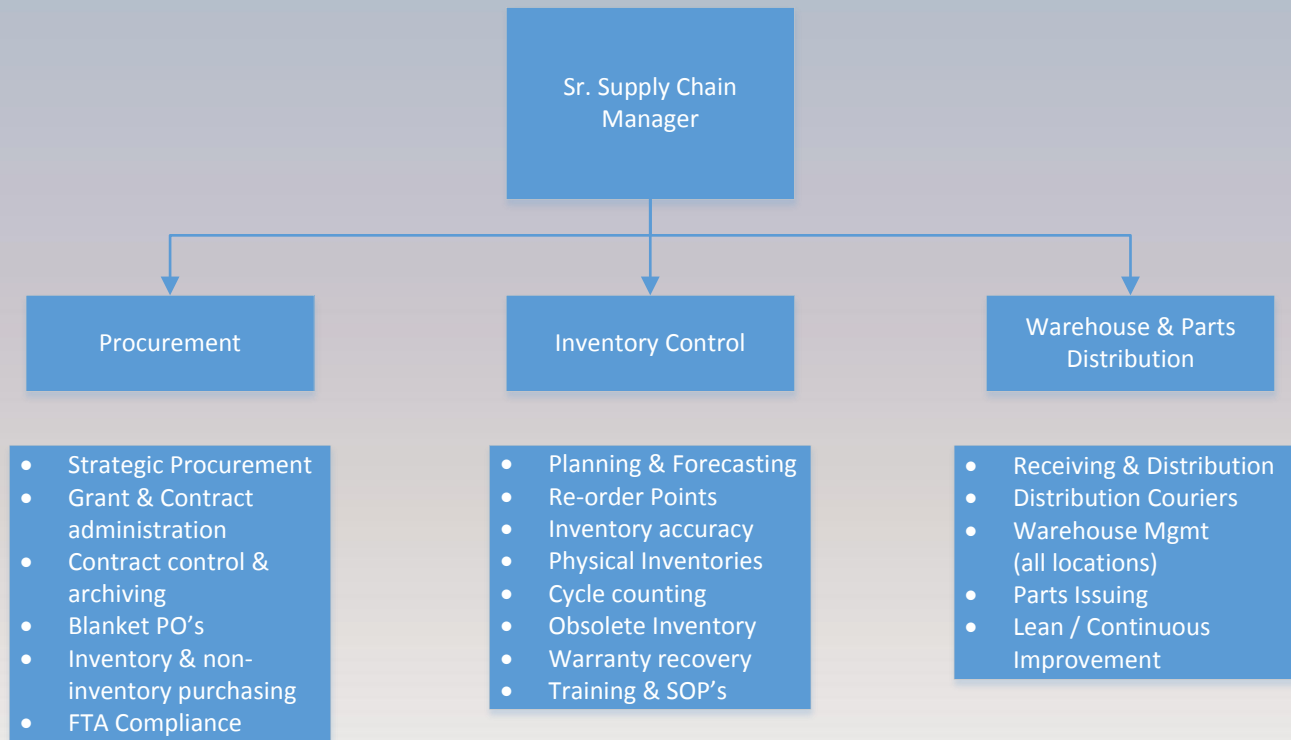


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UTA's Supply Chain Organization

(Cradle-to-Grave Management)



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Customer Focus

- Partnering with Maintenance

“What they need, When they need it!”

- Shared KPI's & Goals
 - Inventory dollars
 - Vehicles Down for Parts
 - Direct Labor %
 - 1st time availability
- Monthly Supply Chain & Maint. Forum (Issues & Best practices)
- Buyers attend weekly staff meetings (communication)

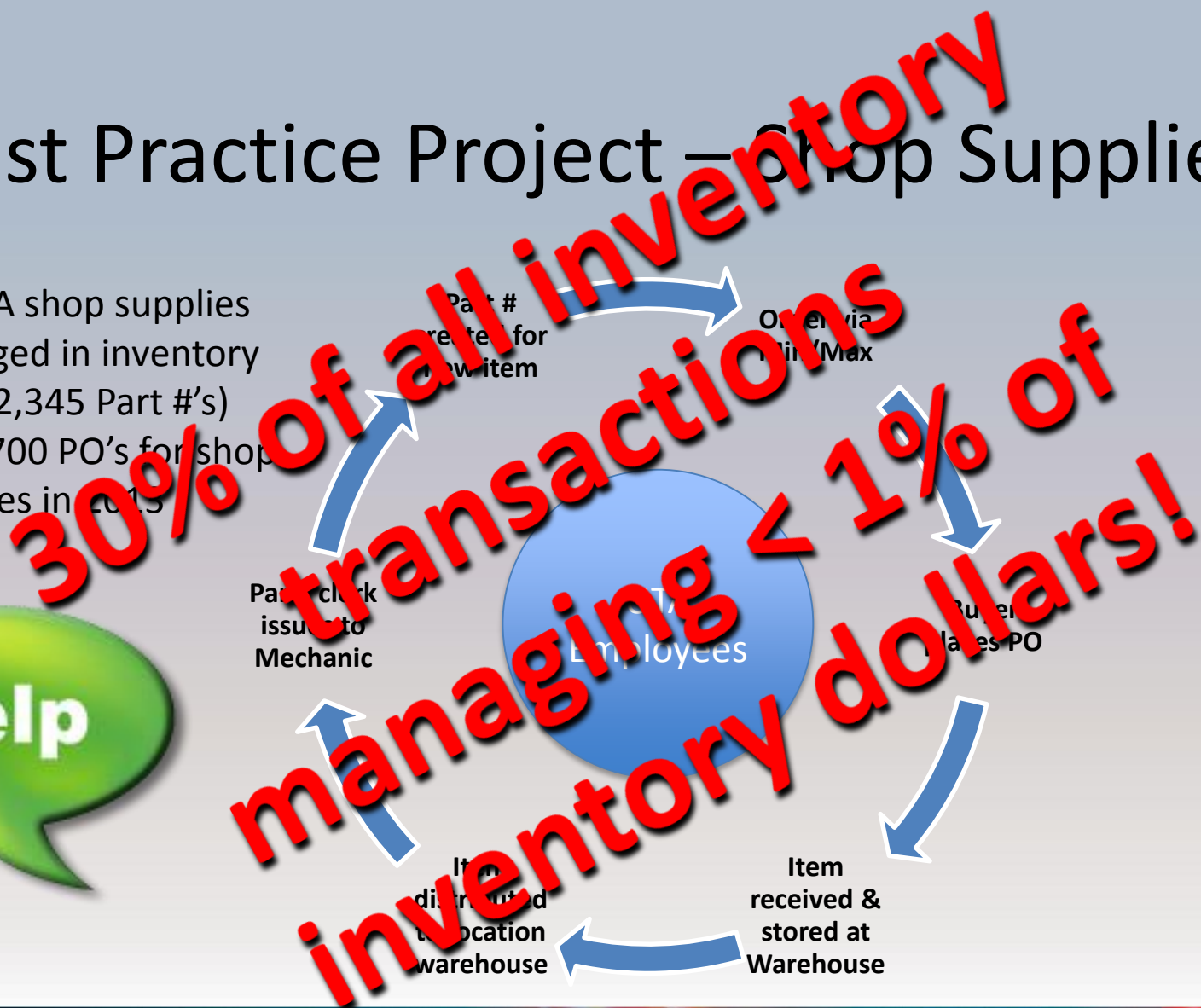
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Best Practice Project – Shop Supplies

Before:

- All UTA shop supplies managed in inventory (over 2,345 Part #'s)
- Over 700 PO's for shop supplies in 2015



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Best Practice – Vending Machine VMI

Solution

- Utilize “Vending Machine” technology at Point-of-use for high volume shop supplies
- Vendor Managed Inventory of non-vended, slower moving items on shelf
- Incorporate “Tool Check-Out” of UTA owned specialty tools



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Vending Machine VMI Benefits

- 24/7, point-of-use access
- Inventory is on consignment until dispensed
- Supplier monitors and stocks inventory twice weekly
- Employees can vend using their badge at any UTA location.



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VMI Benefits – Cont'd

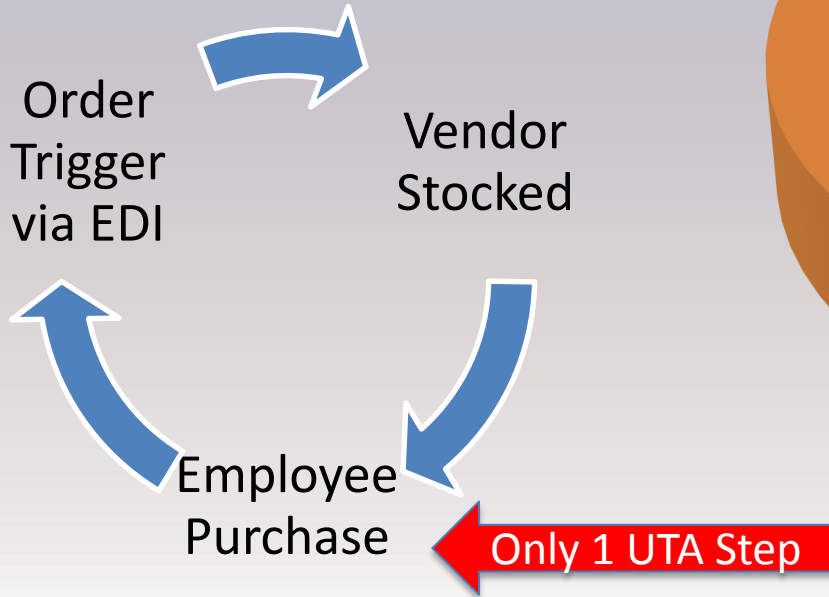
- VMI of other supplies not stocked in the machines (lower use)
- Multiple reporting capabilities
- Real-time visibility of stock levels
- Minimized walking distance
- No wait times at parts counter
- Mechanics are “turning wrenches”, not getting supplies



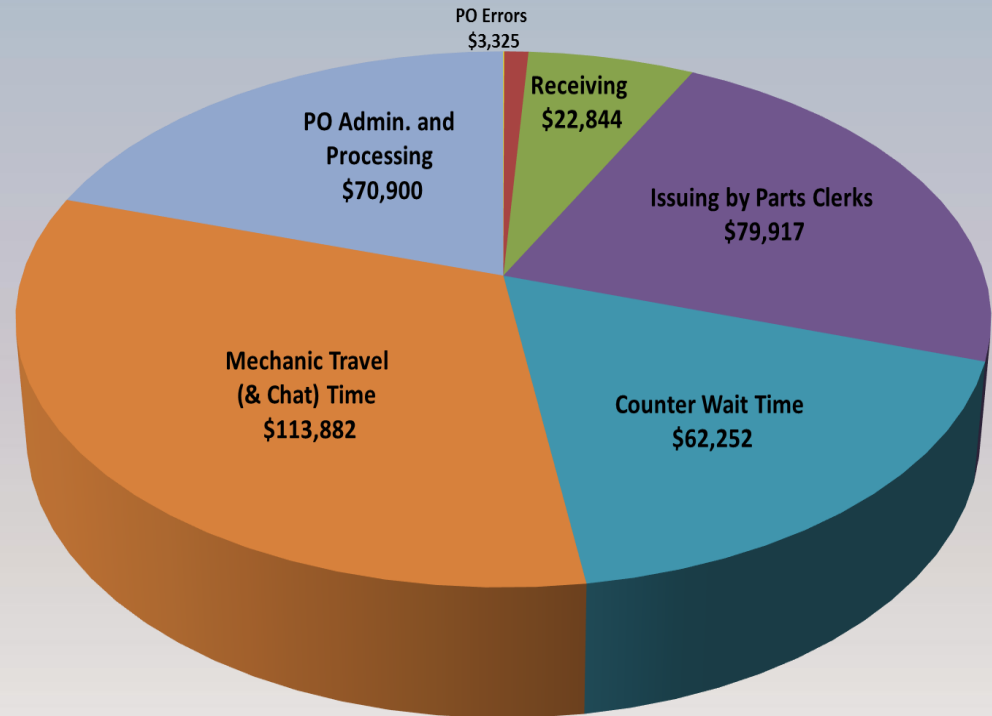
VMI Savings for UTA

After:

- 75% reduction in Process Steps
- 93% Reduction in Shop Supply PO's
- 15% Reduction in warehouse space



Estimated Total Labor Savings



Estimated Annual Labor Savings: \$353,225

What Now?

- Utilize Parts Clerks time
 - Deliver Parts to Mechanics
 - Create “Kits” for standard Preventive Maintenance jobs.
 - Daily Cycle Counts

Eric O'Connor, Los Angeles County Metro

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