

Hotel and Leisure Group: Availability of laundered products increased from 40% to 100% and inventory reduced by 75%

"I used to spend all my time chasing these items – now I only spend ½ a day per month"

Logistics Manager, major hotel chain

Our Customer

A leading hotel group with over 500 hotels across the UK

The Problem

Poor availability of duvet covers was causing problems at the hotels, both in the supply of duvets to replace old stock as well as product for new-build hotels

The group was having difficulty in forecasting demand and replacement levels leading both to shortages of some products and excessively high inventories of others

This in turn led to considerable stress at the hotels and the ongoing loss of considerable management time in managing the supply chain

The Objectives

To raise service levels on the availability of duvet covers from 40% to 95% and reduce inventory by 25%

Our Approach

We started by gathering information about the various laundry sites and the hotels that they serviced. This included historic information on the washes

per duvet cover by size, the levels of ragging, and product lifespan in terms of wash cycles.

Using this data, the hotels existing room populations and new build forecasts we were able to construct a rolling 12 monthly forecast of cover requirements by size and by laundry destination.

This enabled a firm 3 monthly call-off schedule to be arranged with the supplier, allowing loom capacity to be reserved and the supply chain to be stabilised. It also enabled allocation of in transit supply of covers from Egypt to be pre allocated to laundry sites with virtually no finished inventory held at the supplier.

We worked with both customers and suppliers across the different functions and we trained staff in the new approach.

No new software was required!

What we delivered

On this project, we delivered ABOVE TARGET:

- **100% Service Levels achieved**
- **75% reduction in inventory**