

HOW ROBERTSON TIRE ELIMINATED OUT-OF-STOCKS FOR ITS SHOPS



Robertson Tire was looking for a way to eliminate out-of-stocks and keep technicians productive.



(Stock-outs) seemed to happen when a shop would be slammed with seven people waiting in line.



— Brad Stout,
Operations Manager

Robertson Tire is a retail tire and full service car repair business with locations across Tulsa, Oklahoma, U.S.A. By using automated dispensing technology from Myers Tire Supply, it eliminated all-too-routine problems with out-of-stocks and overstocking, and achieved more consistency in the flow of inventory throughout its system.

Frequent Out-Of-Stocks

With shops located throughout Tulsa, Robertson Tire had a central warehouse to manage most of its inventory. Individual shops were instructed to order everything from the warehouse. However, neither the warehouse nor individual shops had much control over inventory use. People would take what they needed and Robertson Tire didn't have an accurate count of how much they had in stock.

Brad Stout, operations manager for Robertson Tire, explained that this led to repeated out-of-stocks of important parts and supplies, because he had no real-time visibility into low supply levels.

"We'd experience a bad (stock-out) every few weeks, and it seemed like it usually happened when a shop would be slammed with seven people waiting in line," he said. "Part of the problem was that shops would take more than they needed from the warehouse. If they needed two bottles of glue, they'd take five. When the next shop needed to resupply, there would be nothing left."

To get the work done, managers would often have to choose between sending someone on a 90-minute drive to the central warehouse and back, or paying a premium to buy from a nearby auto parts retailer. They would frequently buy from the local retailer, which, in addition to being expensive, also led to wide inconsistencies in the products used throughout the Robertson Tire system, as each shop was using its own unique collection of parts and tools.

To protect against out-of-stocks, Robertson Tire was also ordering safety stock of some items. So the system had too much of some things and not enough of others.

"It was a very difficult system to manage," Stout said. "When we heard about a way to automate more of our supply chain, it sounded like it would work for us."

More Control with MTS Xpress

Stout turned for help to Myers Tire Supply, a national distributor of tire, wheel and automotive service supplies. They installed in each shop a pair of automated dispensing devices from Myers and its technology partner, Apex Supply Chain Technologies®. The Apex SOLO™ dispenses individual tire pressure measure sensors (TPMS) and valve stems, providing maximum control over these small, expensive parts. Each shop also uses an EDGE™ 5000, a helical dispensing system for single-use, disposable items such as Brakleen®, ZAK®



Having everything we need in each shop makes a major difference.



maintenance fluid, gloves, glue, sealers, patch and tire repair supplies, air conditioner cleaner, battery service kits and tire changer duckheads.

Managers and lead technicians at each shop use a PIN code to access the inventory in the devices. Apex Trajectory Cloud™ software records who takes what and when, and sends usage reports back to Robertson Tire.

Myers Tire Supply also sees the Trajectory reports. When inventory levels reach pre-set minimums, a Myers rep orders replacement stock and reloads the devices during his weekly visit.

Eliminating Out-of-Stocks

With MTS Xpress in place, out-of-stocks ended immediately. Stout said this has also helped them to improve customer service.

“We want to service our customers as soon as possible, so having everything we need in each shop makes a major difference. Customers don’t want to hear that we have to send a driver out on a 30-minute trip to find a part that we need to complete the job. Thanks to this technology, we don’t have to make that excuse anymore.”

The reports from Trajectory gave managers a better way to look at the flow of inventory at each site. They work with Myers Tire Supply to optimise inventory levels in the SOLO and EDGE devices, so no shop has too much or too little of anything.

Streamlining Vendors

Stout was also able to streamline the company’s large number of vendors, so technicians are using a more consistent mix of tools and supplies throughout the Robertson Tire system.

“We’re ordering more from Myers because everything we need is available at our fingertips from an MTS Xpress device. We’re also spending much less with retail parts shops since we don’t have to make emergency runs to them anymore,” he said.

With no risk of out-of-stocks, Robertson Tire also saved money by eliminating their safety stock. Now they only order what they need.

“We only pay for TPMS sensors when the SOLO device dispenses them one at a time, instead of paying for more of them up front,” Stout said. “It’s much more cost effective for us.”

SAVING CALCULATIONS

On Emergency Resupply Runs

$$3 \times 12 = 430$$

Hours/Month Stores Hours/Annum

To learn more about automated dispensing solutions from Apex Supply Chain Technologies, visit ApexSupplyChain.com/au, email us at info.au@apexsupplychain.com or call +61 (0)2 9450 0866 to visit our Customer Experience Centre.

Technology That Counts™



Apex Supply Chain Technologies Pty Ltd | 15/16 Bernera Road | Prestons NSW 2170