

Balfour Beatty

The Challenge

Balfour Beatty has a five year contract with Network Rail valued at £115m per annum and are responsible for renewing the rail infrastructure. Renewal works often have to be completed at very short notice and they therefore require professional supply chain partners with the expertise to enhance the service that they provide.

Unipart Rail were asked to provide Balfour Beatty with an integrated solution, that would help to improve their contract performance for Network Rail, whilst reducing their costs.

Failure to deliver results could cause Balfour Beatty to incur massive penalties, as well as running the risk of not having their contract extended.

The Solution

Unipart Rail worked closely with Balfour Beatty to identify their precise material requirements for the renewal work. By helping the customer to focus on their exact needs, it eliminated over-stocking and over-ordering of materials 'just in case'.

We used our 'Remote Warehouse', on-line ordering and stock management system to source all of the required materials. This significantly reduced Balfour Beatty's procurement, finance and warehousing overheads and processes, reducing their overall material costs for the renewals work.

A dedicated Planning Manager was assigned to the contract to provide an on-site contact who was always available to resolve any issues, particularly around managing urgent and unforeseen material requirements. They were responsible for reassessing the customer needs at every step of the contract implementation, to continuously improve the service provided.



Supply Chain Services

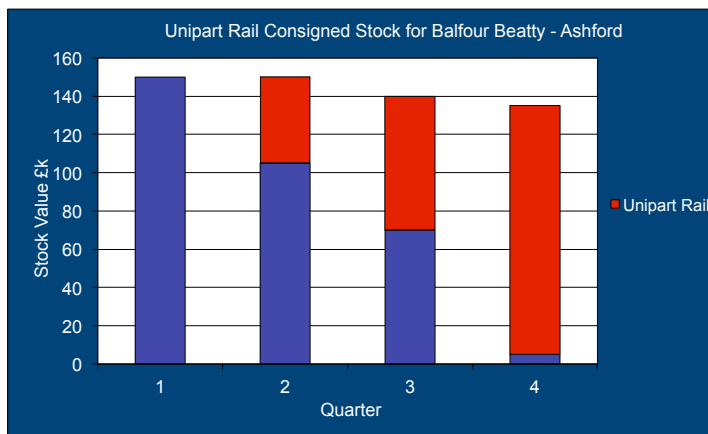
They say your supply chain is only as strong as its weakest link. They're right.

But it's not just brute strength that delivers ultimate performance. Innovation and flexibility are essential too - the creativity to meet fresh challenges and the agility to integrate new solutions.

At Unipart Rail we understand this. And for more than 20

years we've partnered numerous international clients to deliver exceptionally high levels of material availability, bespoke designed solutions and a highly valued service. Supporting up to 99% parts availability levels.

The Rail Industry is inherently complex. The benefit of partnering Unipart Rail is simple. A high performance supply chain. Guaranteed.



The Result

Balfour Beatty were investing in excess of £150,000 in stock of signalling equipment to service the contract, Unipart Rail reduced their stockholding by 95% and stock value by over £140,000 within the year, with availability and performance increasing at the same time.

These significant savings were achieved through the use of our consignment stock, which was only invoiced when used.

Balfour Beatty have been so impressed that they have asked Unipart Rail to propose a similar solution for the remainder of the renewals operation. This operation, which currently has a stock holding value of over £1 million and many more supply chain transactions than the signalling element.

We estimate that we will enable Balfour Beatty to save a further £150,000.

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