

Unlocking profits

Revolutionizing supply chains with predictive data, waste reduction strategies

The global increase in material consumption, projected to reach 180 billion tons by 2050, emphasizes the need for efficient supply chain strategies. BinMaster contributes to this by offering accurate measurements of bulk materials in various locations. Conrad Woerner, BinMaster Supply Chain Manager, highlights the potential for significant returns on investment through predictive data, waste reduction, and strategic ordering. BinMaster's sensors and Bin-Cloud software provide real-time inventory views, aiding in predictive ordering and waste reduction.

The importance of procurement optimization, strategic sourcing,

and material aggregation in enhancing profits and reducing waste is underscored. BinMaster's role is pivotal in generating essential data for these strategies. Case studies in agriculture, petrochemicals, and construction demonstrate successful applications of these supply chain strategies. In an era where data-driven decision-making is crucial, BinMaster stands out as a tool transforming bulk material inventory management, facilitating collaboration across managers and departments for strategic supply chain planning. For more information, visit www.binmaster.com.



Global supply optimization, material aggregation

There's profit to be made through smart supply chain strategies like procurement optimization, material aggregation, and strategic sourcing.

During the past 30 years, total global material consumption increased by 80% and is projected to reach 180 billion tons of different materials by 2050.

BinMaster walks alongside supply chain efforts by providing accurate measurements of bulk materials in one, or multiple locations.

"We've really engaged with industries on predictive data," said [Conrad Woerner](#), BinMaster Supply Chain Manager. "If a company can access its bulk material needs and realize just 1 or 2% waste reduction, or create an ordering rhythm to purchase at a lower price point, it could create millions of dollars return on investment."

Bulk material data starts with BinMaster sensors measuring bulk material in bins, silos, and tanks. Those measurements appear on [BinCloud software](#) with up-to-date views of each vessel's inventory. Customers helped drive new features on BinCloud to deliver historical charts and trendlines to help with predictive ordering.

"BinCloud has really evolved," said [Scott Hudson](#), BinMaster VP sales & marketing. "Our software developers update the platform three or four times a year and they are constantly customizing features for customers. Not many people can say their software requests and ideas turn into reality. BinMaster customers can say that."

Supply Chain Strategies & BinMaster

Strategies to increase profits and decrease waste start with good data. BinMaster sensors and software generate measurement data and track materials used over time.

Procurement optimization focuses on streamlining the entire procurement process, from supplier selection to contracts, demand forecasting, and inventory management to boost cost and performance. In general, optimization is the "how" of procurement.

Strategic sourcing also covers the entire procurement process but focuses on the "what" and "who" and "how much" of the decision-making process.

Material aggregation centers on purchasing needs of various locations and facilities within an organization to enable higher volume purchases that result in cost advantages that individual locations could not achieve independently.

Bulk Purchasing Examples

> **A major agriculture corporation** in the US utilized procurement optimization to realize substantial savings on bulk materials for animal feed production. By accounting for use over multiple locations, the company created long-term contracts with key suppliers for corn, soybeans, and wheat bran. Part of this effort was material aggregation consolidating purchasing needs across multiple production plants over a region.

> **In the petrochemical industry**, procurement of raw materials accounts for 70-80% of downstream products (Lee, Chou, Huang, 2021). One study looked at butadiene (a bulk material for synthetic rubber used for shoes, tires, etc.). The product price for this bulk material fluctuates with demand, and economic and political events. The study calls for digital transformation tools to predict material use and to create a procurement decision. The result aims for material cost savings, risk mitigation of price volatility, better profit, steady supply, and operational efficiency.

> **Construction studies** in the UK are looking at procurement strategies to reduce material waste. One study shows that poor materials procurement contributes 11% of material waste in the UK. Construction waste can add considerable costs to a project, even during the planning stage. According to a study by Buchan, J.D., construction planners allow for material waste in the range of 2.5-10% of the quantity of materials.

Drilling down to details in supply chain management requires good data, delivered automatically, to the cloud, where multiple managers, locations, and departments can collaborate on strategy. BinMaster provides the perfect tool to transform bulk material inventory. More information and contact information for BinMaster bulk material experts can be found at www.binmaster.com.

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KEYWORDS

bulk materials, bulk inventory, silos, digital transformation, bulk flow, cloud inventory, monitor app, monitor tech

OBJECTIVE

Learn how BinMaster systems boost supply optimization, material aggregation

CONSIDER

Digital tools on silos pull information to a phone or PC for smart decisions on ordering, silo capacity and trends..



<https://www.binmaster.com/sales-inquiry-form>

References

- Buchan, J.D., Fleming, F.W. and Kelly, J.K., 1999. Estimating for builders and quantity surveyors. Butterworth Heinemann.
- Lee, K. S., Chou, T. Y., Huang, Y. S. (2021). Data-Driven Supply Chain Management: From Intelligent Manufacturing to Intelligent Industry. IEEE Access, 9, 625-636. doi: 10.1109/ACCESS.2020.3042082