

**Supply contracts**  
**Guaranteed stock**  
**SMI**

*Smiths Advanced Metals are experts in providing complete supply solutions that are tailored to a customer's unique requirements. We offer a complete range of supply services through to full "Supplier Managed Inventory" (SMI).*

### Savings

Supply flexibility and versatility are two of the keys to ultimate customer satisfaction, often resulting in significant savings for the customer.

Some potential benefits include:

1. *Space savings at your premises.*
2. *Reduced stock finance costs.*
3. *Reduced stores and processing costs.*
4. *J.I.T. delivery of cut pieces to machine side.*
5. *Bespoke packaging.*
6. *Bespoke labelling.*
7. *Technical back up through our own UKAS Accredited Material Testing Laboratory and metallurgists.*

### Continuity of Supply

Many items can only be efficiently stocked against known customer demand. We use complex planning algorithms to predict demand and ensure we have enough material in stock (and on order with our suppliers) to cover most eventualities. We also use customer usage predictions to further improve stock cover.

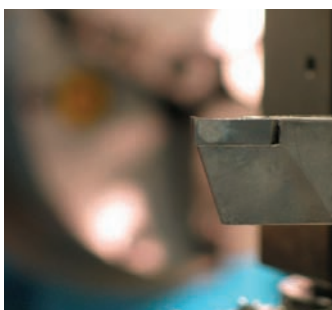
Some customers have unique material requirements. These can either be unique special alloys or usage patterns (or both). In these cases, to ensure ongoing supply, we have to set up supply contracts that guarantee certain levels of supply. But for some customers we go even further.



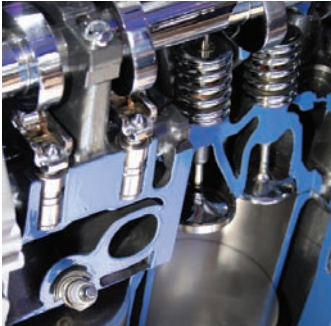
### Supply solutions

Using our state-of-the-art computer system we are able to install a system into a customer's premises that moves responsibility for raw material inventory management over to us. This Supplier Managed Inventory (SMI) system dramatically improves supply chain efficiency and can lead to huge cost savings for a customer. Importantly, the customer still retains control of the stocking parameters but all other functions (even including the physical location of the stock if required) are moved over to us.

- **Inventory management**
- **Supplier management**
- **Logistics management**
- **Information management**
- **Supplier Managed Inventory**



# Supply Solutions

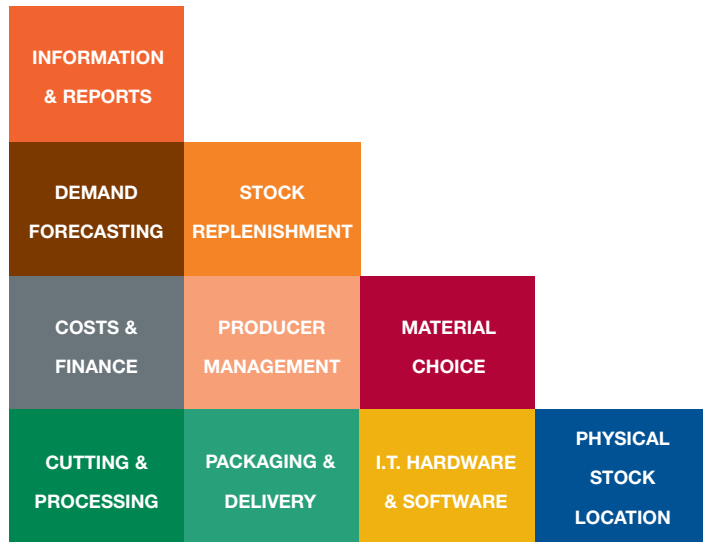


## Supplier managed inventory

Supplier (or Vendor) Managed Inventory is a term used to describe a supply chain arrangement where the supplier, not the customer, essentially takes responsibility for ensuring that a production process has the most efficient levels of raw material input. For all major manufacturing companies Smiths Advanced Metals recommends that such an arrangement is considered. Information Technology plays a significant part in the set-up and running of an SMI contract and Smiths Advanced Metals uses some of the most technologically advanced supply chain software to accomplish this.

- Reduce total cost of raw material supply by consolidating the supply chain and making it more responsive
- Improve supply service to customer's manufacturing centres
- Reduce waste and increase efficiency by supplying cut-to-size raw material to customer's manufacturing centres on JIT basis
- Provide a highly-customisable SMI system based on interchangeable building block concept
- Provide total transparency to customer in all elements (including pricing)
- Allow customer to retain option of complete control over whole process

## SMI Building Blocks



- Supplier Managed Inventory (SMI) systems enable a highly efficient raw material supply chain to be created
- Essentially, an SMI system moves the responsibility for all aspects of inventory management to an expert outside function
- Expertise in all aspects of purchasing, stocking, processing and delivery creates cost savings through efficiency gains
- SAM's Supplier Managed Inventory (SMI) system is a totally bespoke software platform created exclusively for use by AMI's customers
- It is the culmination of 5 years of systems and software design