

# Bright Spot in a Worldwide Weak Economy

by:

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Real time supply chain integration improves efficiency by eliminating duplication of efforts, reducing paperwork and improving communication between fastener suppliers and clients.



The fastener industry is facing a difficult time. Sales are down, profits are being squeezed. To add insult to injury, the downturn in the economy is actually creating more work for the typical fastener distributor. Since no one is sure what is going to happen next in the economy, customers are placing smaller orders more frequently.

Customers are also requesting many more quotes from many more fastener vendors and of course only one company gets the order. All of these factors create more work for fastener distributors that they must do in less time, typically with fewer people.

## Modest Improvement Forecast

It's not all terrible news though. **Freedonia Group, Inc.** predicts that USA fastener demand will reach US\$12.5 billion in 2013. Freedonia says that demand for industrial fasteners will advance 1.2% per year. Worldwide growth is predicted at over 4%. These are modest increases, but at least they are not predicting a further decline.

Profit margins are eroding in the face of intense competition. In order for a fastener distributor to survive, they must maintain tight control over their inventory. Additionally, they must reduce the cost of each transaction in order to maintain profitability.

## Fastener Industry Slow to Apply Technology

The fastener industry has been slow to adopt new technology. Computer systems have been regarded as a necessary evil and often relegated to the job of billing machine.

In today's market climate however, the only alternative for fastener distributors is to increase the amount of automation in their business. These distributors need to carefully manage their inventory and improve their supply chain management. Inventory management is a key element to running a successful distributorship. Seamless communication with vendors and customers is critically important for a distributor to succeed.

## Change is Needed

Companies that want to be successful in the future can take good advantage of the current market conditions to implement new systems that will make them more competitive in the future. A system change to a modern fully integrated software package can have a very positive impact on the bottom line in the years to come.

A common problem for fastener distributors is trying to justify the cost of a new system. This is particularly difficult when they feel uncertain about their future business with their customers. Despite the uncertainty, the time to act is now.

## New System Is A Team Effort

A good example of a team effort at improving efficiency in the in the supply chain is a new system called the "Brighton-Best Connection". This new system is a joint effort between the **Brighton-Best International (BBI)** and **Computer Insights (CI)**. Brighton-Best is a leading supplier of fasteners and the company is also a technological leader in the industry. Brighton-Best is changing the way business is done in the fastener industry. The company sells exclusively to distributors and has pioneered large-scale electronic ordering in the industry. The company has created a website for browsing its inventory, requesting quotes and placing orders.

Over the past 17 years Computer Insights has been focused entirely on the fastener industry. CI's system, The BUSINESS EDGE 2.0 is very

BBI Code	BBI Description	Bulk Qty	Package Qty	UOM
271033	#4 - 40 X 1/4" Socket Head Cap Screws Coarse Alloy Ny...	1,000	100	pcs
271035	#4 - 40 X 3/8" Socket Head Cap Screws Coarse Alloy Ny...	1,000	100	pcs
271037	#4 - 40 X 1/2" Socket Head Cap Screws Coarse Alloy Ny...	1,000	100	pcs
271039	#4 - 40 X 5/8" Socket Head Cap Screws Coarse Alloy Ny...	1,000	100	pcs
271041	#4 - 40 X 3/4" Socket Head Cap Screws Coarse Alloy Ny...	1,000	100	pcs
271043	#5 - 40 X 1/4" Socket Head Cap Screws Coarse Alloy Ny...	1,000	100	pcs
271045	#5 - 40 X 3/8" Socket Head Cap Screws Coarse Alloy Ny...	1,000	100	pcs
271047	#5 - 40 X 1/2" Socket Head Cap Screws Coarse Alloy Ny...	1,000	100	pcs
271049	#5 - 40 X 5/8" Socket Head Cap Screws Coarse Alloy Ny...	1,000	100	pcs
271051	#5 - 40 X 3/4" Socket Head Cap Screws Coarse Alloy Ny...	1,000	100	pcs
271053	#6 - 32 X 1/4" Socket Head Cap Screws Coarse Alloy Ny...	1,000	100	pcs
271057	#6 - 32 X 3/8" Socket Head Cap Screws Coarse Alloy Ny...	1,000	100	pcs
271061	#6 - 32 X 1/2" Socket Head Cap Screws Coarse Alloy Ny...	1,000	100	pcs
271065	#6 - 32 X 5/8" Socket Head Cap Screws Coarse Alloy Ny...	1,000	100	pcs
271069	#6 - 32 X 3/4" Socket Head Cap Screws Coarse Alloy Ny...	1,000	100	pcs
271073	#6 - 32 X 7/8" Socket Head Cap Screws Coarse Alloy Ny...	1,000	100	pcs
271075	#6 - 32 X 1" Socket Head Cap Screws Coarse Alloy Nylo...	1,000	100	pcs

The BUSINESS EDGE 2.0 inventory list screen

