

Developing Inventory Management Solutions to Improve Manufacturing Profitability and Streamline Operations: **SupplyPro, Inc.**



In the U.S., companies annually spend upwards of \$150 billion on indirect materials and roughly half of that inventory goes unused every year. So, as a way for businesses to move mission-critical items from the storeroom to the work cell making them available 24/7 and completely accountable to avoid costly productivity lapses, SupplyPro was founded in 1994.

Based in San Diego, California, the company started its journey with the introduction of a patented locked cabinet designed to manage office supplies. However, it quickly realized that the cost of management outweighed the value of the supplies, so it moved into the industrial manufacturing space and developed extensive cloud-based inventory management software focused on real-time visibility, control and insight. Today, SupplyPro sells state-of-the-art data driven inventory control systems leveraging some of the most exciting technologies in the market to enable Smart Factories; IoT, Neural Networks, Optical Recognition, Blockchain and Big Data to name a few.

Delivering value to its partners by providing products that are reliable, efficient and innovative, the company has expanded significantly over the years. Today, SupplyPro is one of the premier providers of inventory management solutions with industry-leading intelligent software designed to reduce inventory costs, automate replenishment, eliminate stock outs and have visibility of all material wherever it is stored. Its solutions improve productivity and reduce inventory costs bringing proven

simplification to the distribution and management of any industrial product across every industry segment. Whether it's managing MROP (Maintenance, Repair, Operating and Production) parts for robotic manufacturing at an auto plant, safety supplies at a construction site, metalworking products for an aerospace manufacturer or tools and commodities on an army base.

"Our growth and success are not limited by market opportunity, it's only limited by our imaginations," Floyd Miller, President & CEO of SupplyPro.

Leaping Over the Stumbling Blocks

The evolution from a startup to a mature company is a challenging process because the type of people and talent required for each stage is radically different. Oftentimes there are turbulent phases of growth along the growth continuum that can tank a company.

Talking about challenges, SupplyPro was no exception when it started. The initial years were tough for the company because the business model wasn't aligned with customer requirements and the explosive growth of Silicon Valley was consuming technology talent. The business changed dramatically with the addition of Floyd Miller, CEO, a successful entrepreneur, technologist and marketing pioneer and Mike Reynolds, SupplyPro's CTO, with a proven track record of successful innovation. They helped transform the company into a global leader in inventory and asset management solutions. And it didn't

hurt being headquartered in San Diego with some of the best weather and quality of life in the world.

With a goal to deliver an easy-to-use and easy-to-install inventory control system, Mike and his exceptional group of software and hardware engineers came up with the idea of a totally modular, customer installable and reconfigurable, completely IoT enabled (self-diagnosing and self-configuring) revolutionary system capable of being installed or re-configured without any tools; named the Supply System. The project was massive and when it was time to build the first prototype from 1000's of mostly handcrafted parts, it took every person in the company to build it. Accounting folks were sanding door handles, marketing people were screwing assemblies together, executives were installing software and salespeople were connecting wiring harnesses. The entire project was exhilarating and fun.

When the first Supply System was built and they flipped the switch, it worked. Everyone in the company knew they contributed to the project's success and still take pride in the 1000's of systems that go out the door today. After overcoming multiple hurdles, SupplyPro has established itself as a leader in the inventory management space, fueling an industrial revolution to automate the procurement and control of industrial materials to drive supply chain efficiency and deliver manufacturing profitability.





"Work Hard, Play Hard"

"We use our products, we live the supply chain that we operate within and expect good ideas to come from every department in the company. At SupplyPro, innovation is highly valued and financially rewarded."

"We are on an exciting journey in our quest to drive the automation of industrial material management," says Floyd. "We have grown exponentially, increased our installed base of systems geometrically and our annual transactions are well into the billions of dollars."

The Employee-Centric Workplace

Being one of the leading firms in the industry, SupplyPro not only contributes to its customers' success, but it also invests in its employees giving them state-of-the-art tools, an exceptional environment and lucrative benefits and rewards. SupplyPro is intentionally a flat organization where direct and open communications are not only possible but expected.

For SupplyPro, innovation is not the responsibility of a single department but occurs throughout the company, so it makes sure that its people get challenged with exciting opportunities to contribute, grow and develop. *"We sink or swim as a team and each person is critical to our collective success,"* says Floyd.

High performance organizations often deal with conflict, it happens despite a company's best efforts and is often caused by incompatible or poorly defined goals and objectives.

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At SupplyPro It is important that everyone is committed to the vision, and achieving extraordinary goals. There can be constructive conflict, but at the end of the day, individual goals must give way for the benefit of the team, with everyone sharing accountability for results and participating in the rewards of success. Everyone must communicate transparently and have mutual respect for each other, and strong camaraderie.

At SupplyPro, professional development is built into the framework of the company and is set out as a clear expectation of each person that is added to the team. With hard work, the right tools and the execution of a development plan, the company has fostered an environment that inspires and motivates individuals. Each manager in the company is not only responsible but evaluated on how successfully they develop their teams and increase each person's personal and company value.

"We have a learning culture that values curiosity, which embraces the diversity of people and ideas. We invest in our employees' development; we are willing to challenge employees and ourselves to keep our employees motivated," says Floyd.

The Future Vision

As a future unfolds, SupplyPro has some very exciting B2B products in development that will challenge the way commodities and consumables are managed and controlled. Usage data and predictive analytics are being woven into the fabric of insight to fuel the Smart Factory revolution. Look for exciting IoT and AI based innovations in first and second quarter of 2019. These breakthrough products have the potential to disrupt the industrial distribution market and deliver tremendous competitive advantages.

Over the years, SupplyPro has globally contributed to making companies more profitable and in the near future, the company sees itself driving an automation evolution of how industrial materials are procured, managed and controlled.

The Man Turning Brainpower to Horsepower

Mike Reynolds EVP & CTO

An innovation leader in smart technology, supply chain management and cloud communications platforms. Mike was the driving force behind successful consumer and industrial startups and served as an accomplished intelligence analyst for the U.S. Joint Chiefs of Staff and National Security Agency.