

# PRODUCTION PLANT INTERNAL SUPPLY CHAIN AUDIT

**Case Study:** Supply Chain – Agrochemical Manufacturer

An agrochemical manufacturer needed a solution to **find**, **classify and quantify the causes which were creating anomalies** between the system (SAP) and the customer's physical stock

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## **PRODUCTION PLANT** INTERNAL SUPPLY CHAIN AUDIT

Case Study: Supply Chain – Agrochemical Manufacturer

A company that manufactures and markets agrochemicals, industrial chemicals, chemical intermediates, and specialty chemicals, and also offers crop protection solutions, required the support of RGIS. The agrochemical manufacturer's products are sold in over 150 countries.

### REQUIREMENT

The agrochemical manufacturer needed a solution to find, classify and quantify the causes which were creating a distortion between the system (SAP) and the customer's physical stock.

The agrochemical manufacturer required RGIS to provide the following:

- · Complete an analysis of the activities made over two years
- Submit a report which would allow the executive management to make decisions • regarding the business model for the forthcoming years
- Areas for RGIS to analyse were the production plant (ABBOT), the main warehouse (FARACE), eleven regional warehouses hired by the company (third parties' property) and to also include the stores distribution chain

#### 6-3 SOLUTION

The agrochemical manufacturer partnered with RGIS to complete the internal supply chain audit project, and RGIS provided the following:

- Worked closely with an agronomist engineer
- RGIS scheduled a team of field auditors with experience in the agribusiness industry to carry out physical information gathering
- · Visual inspection, full stock taking (with 'blind' methodology) and preliminary conciliation at the sites reported as critical for the customer, due to being the last link in the distribution chain of the customer's products in Argentina
- · Verification of shipments and receipts of products to warehouses
- Claim refunds and alert for unjustified shortages to give intervention to the • customer's finance department
- · Verification of expiration of batches according to product
- · Sorted document files and requested documentation for unprocessed returns
- Prepared a dashboard on the status and evolution of the audit that included the measurement of results
- Completed full inventories in all the warehouses

# RESULTS

The agrochemical manufacturer found by outsourcing the internal supply chain audit project to RGIS, the following results were achieved:

- RGIS was able to give recommendations to the customer in multiple areas on the logistic, commercial, administrative and accounting processes
- · The customer was now able to identify the causes of the anomalies between the system (SAP) and the customer's physical stock

Warehouse Audit **Process Analysis** Supply Chain Audit Recommendations Provided

### CONTACT RGIS TODAY TO SEE HOW WE CAN HELP YOU

By partnering with RGIS, the agrochemical manufacturer received recommendations to improve the logistic, commercial, administrative and accounting processes



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