

Case Study Chemical Management Services

Business Challenge

Manufacturers of driveline and drivetrain systems do not have bandwidth to be experts in chemical management. However, with over 500 chemicals purchased, the impact of optimization can be significant.

One drivetrain manufacturer was struggling to optimize their indirect chemicals usage. This included coolants, lubricants, and other fluids.

Searching to reduce costs and optimize their fluids management, the manufacturer came to Incora for a solution.

Incora™ Solution

Incora provided Chemical Management Services (CMS) to the drivetrain customer, using purchasing leverage, technical competence, disciplined implementation processes, and chemical industry knowledge to achieve cost savings and process improvements.

Because Incora does not manufacture chemicals, we are supplier-neutral in recommending the best-in-class product for each application. Incora's incentives align with the customer's in wanting to procure the best possible product at optimal cost.

Incora personnel worked alongside the customer's own employees to find possible efficiencies and add value to the customer's operations.

Results

Through its in-depth knowledge of the entire realm of chemicals management, Incora contributed significant value to the site operations. Through the Chemical Management program, Incora achieved over **\$1M/yr cost savings** at one of the drivetrain customer's sites:

- Reconstituting and re-using quench oil (\$500k/yr)
- Consolidating and recycling coolants (\$400k/yr)
- Reducing prices for floor soap and machine cleaners (\$150k/yr)
- Decreasing customer's working capital through reduced indirect chemicals inventory (\$300k)
- Reduced labor costs by outsourcing lab testing and the wastewater pre-treatment process (25%).
- Reduced waste through recycling and reuse initiatives

Other improvements were made through Incora's proprietary tcmlS® operating system:

- Safety data sheet and data management for compliance reporting.
- Leak reports resulting in a 30% reduction in leaks.

**The company
achieved \$1 million
in annual savings
through Incora
CMS.**