

BUILDING A RESILIENT, RELIABLE OIL SUPPLY FOR A LEADING AUTOMOTIVE OEM

Find out how Kem Krest utilized an integrated supply model to stabilize inventory, improve availability, and strengthen service levels across an OEM dealer network.



THE CHALLENGE:

A major automotive OEM was experiencing persistent stockouts and extended lead times for packaged oil deliveries due to reliance on third-party distributors.

Because the oil program was 100% private label, distributors struggled with inventory turnover, resulting in inconsistent availability and unreliable fulfillment. Delivery timelines frequently exceeded two weeks, putting pressure on dealers and negatively impacting service expectations. The OEM needed a more resilient and dependable supply model - one capable of consistently delivering packaged oil within an accelerated two-day window while maintaining cost discipline.

OUR APPROACH:

Kem Krest proactively engaged a leading oil supplier, leveraging an established partnership and a proven ability to execute with precision and reliability.

The solution focused on strengthening supply continuity while eliminating inefficiencies:

- Consolidating packaged oil orders with existing chemical shipments to improve consistency and reduce touchpoints
- Aligning minimum order quantities to support steady inventory flow and faster processing
- Optimizing freight strategies to maintain cost alignment while improving delivery reliability

This coordinated approach enabled rapid implementation without disrupting ongoing operations and created a more stable, predictable supply chain.

THE RESULT:

The impact was immediate and measurable.

Order-to-delivery timelines were reduced from more than two weeks to an average of two days, providing the OEM with the dependable supply required to support its dealer network.

Key outcomes included:

- Significantly reduced stockouts and improved product availability
- Consistent, on-time delivery with an on-time shipping rate exceeding 98%
- Greater reliability and resilience across the supply chain
- Improved dealer satisfaction driven by predictable fulfillment

By focusing on supply continuity and operational discipline, Kem Krest delivered a solution that strengthened service performance while maintaining competitive pricing through optimized freight and consolidated shipments.

