

## CASE STUDY

# WESTFALL TECHNIK TACKLES THE ULTRA COMPETITIVE PROCUREMENT MARKETPLACE OF PLASTICS MANUFACTURING WITH **Arkestro's Predictive Models**

## About Westfall Technik

Westfall Technik is a global contract manufacturing company who primarily molds plastic parts on demand for more than 250 different companies. Over the past 5 years, Westfall Technik has built an impressive platform through the acquisition of over 15 companies and has seen significant organic growth through their global customer base, disrupting the plastics manufacturing industry.

*“We quickly determined the real-world potential of PPO for a company purchasing large quantities of many different direct and indirect materials, including plastic resins, to service our customers’ needs.”*


~ DAVID SCHULTZ, VP, CHIEF SUPPLY CHAIN EXECUTIVE AT WESTFALL TECHNIK

## The Challenges



There was a lot of pressure on the business to meet the increasing demands of their customers. With a complex direct materials processing matrix in place, Westfall molds hundreds of millions of parts at multiple US locations per year that requires tens of millions of pounds of different plastic resins. They needed to streamline their procurement process – quickly. David and his team needed fast time to value demonstrating to Westfall’s stakeholders that an investment in technology would deliver results.

The series of acquisitions made it a challenge to integrate different datasets that weren’t fully accurate or updated to the current state. While this data wasn’t the best quality — there was a lot of it — which meant really important insights were difficult to uncover and even when found, often too late.



## INDUSTRY:

 Manufacturing

## OBJECTIVES:

-  Manage disparate amounts of data
-  Speed up processes
-  Save on spending
-  Find new opportunities for business growth
-  Fast time to value

## RESULTS:

-  **18% SAVINGS** from an incumbent supplier **WITHIN 72 HOURS**
-  **SAVED \$3.5M** on commodity resins bid

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*PPO allows Westfall to get the best pricing from preferred suppliers on favorable terms more frequently. That’s a great value proposition from my vantage point.*

~ DAVID SCHULTZ, VP, CHIEF SUPPLY CHAIN EXECUTIVE AT WESTFALL TECHNIK

## Implementation

In today's fast-paced, digital age, it is not uncommon for people to adopt platforms and hope it solves their problems. Doing so, you'll likely meet resistance from your IT team who are busy with other projects. At first, Westfall Technik was no exception, but once David introduced the concept of PPO to his CIO and showed him there was no software to install or learn, his team was on board.

The team was impressed with how highly intuitive Arkestro was, and how they didn't have to dig through a dashboard or pull up pivot tables to know if they were getting the right quoted price from the best supplier.

## The Outcomes

Within 72 hours, Westfall saw an 18% savings with an incumbent supplier who had previously assured that, "I am giving you my best price." Arkestro ingested internal company data leveraging Arkestro's machine learning capabilities and predictive models to simulate the supplier's quotes before even reaching out to the supplier. They were no longer asking for a quote but suggesting an offer to their suppliers. The Predictive Execution of proactive recommendations yielded fast results for David and his team.

With Arkestro, Westfall not only found the best price, but the best value. This has helped strengthen their relationships with suppliers and eliminated quote fatigue by allowing decisions to be made in a fraction of the time. Suppliers also appreciate being told how far they are from the leading offer, this transparency means they can better target their offers on the parts of Westfall's business they are most interested in.

Dealing in plastics, environmental, social and governance (ESG) criteria are vitally important to Westfall Technik. Here they also leverage Arkestro's platform to ensure the suppliers they work with meet their environmental goals, while improving the effectiveness and productivity of their internal supply chain team.



## Looking Toward the Future

David's upcoming projects include integrating PPO into his team's daily activities and rolling out the platform to key contributors. Westfall Technik is also getting closer to the point where Arkestro will be tied into their enterprise software systems.

With the impressive results experienced thus far, David is excited for the future. He estimates that Westfall is only using one quarter of the capabilities of PPO, and is focused on greatly expanding the use of the platform across all Westfall operations.

## About Arkestro

Founded in 2017, Arkestro's Predictive Procurement Orchestration (PPO), taps into the power of behavioral science, game theory and machine learning to help companies make their best buying decisions faster across all addressable spend. Top enterprises leverage Arkestro to confidently optimize their procurement cycles with direct actions and clear recommendations, managing spend at scale without increasing headcount. See Arkestro in action at [arkestro.com](https://www.arkestro.com).



Ready to see how real-time recommendations can amplify your procurement team's impact? **Let's talk.**

[www.arkestro.com](https://www.arkestro.com) | [hello@arkestro.com](mailto:hello@arkestro.com)