



TESCO METERING

UTILITY SUPPLY CHAIN ISSUES ROUNDTABLE And Current Events in Metering

TESCO's Meter School
TESCOOL
July 21-24, 2024

Tuesday July 23, 2024

3:15 PM – 4:30 PM

Tom Lawton



- Seems like everything is on back order and everything has extended lead times
- The world went on hold for an extended period
 - E-commerce exploded as the world ordered everything on-line for at home delivery
 - Businesses were often in limbo as to whether they were essential or non-essential, manufacturing slowed to a crawl
- Transportation and distribution infrastructure was damaged and additional regulations that had been in the works.
 - Truckers lives made more difficult during the pandemic and their livelihoods impacted with higher fuel prices and new, more draconian regulations after the pandemic
 - Small disruptions that occur from time to time were magnified.
 - New container ships arriving in ports that had not been upgraded to receive them

- Magic Eight Ball says: Outlook Not So Good





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THE FORECAST



- Prior to 2020 typical inventories were two to three months at most or 50% to 100% longer than lead times
 - Now we are all ordering for first six months and then twelve months. We have several items that have always been long lead where we have two years of parts in stock or on order.
 - Down side – we are all doing this so the demand continues to increase as supply remains tight
- Vertical Integration and a return to JIT principles
 - Keep your suppliers close
 - Bring the supply chain in house whenever you can



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STRATEGIES

- Reinforce Partnerships
 - Your customers and your suppliers vendors have always been your partners. This has become much clearer to everyone over the past two years.
- Look at designs to allow for additional options or eliminate difficult materials to source
 - Need to consider UL or other safety concerns with alternate materials or suppliers
 - Need to consider functional differences of alternate materials and suppliers
- Take on sourcing issues for both your customers and your vendors
- E-commerce
- Logistics & Supply Chain Technology Upgrades
 - Logistics set-up and tracking in and out
 - ERP system upgrades and training
- Data Is King...Or It Should Be.



- What has your department done to address long lead items?
- What items are you seeing as the hardest to procure or having the greatest impact on your operation?
- Is your Utility doing anything to change their approach to procurement?
- What have you seen that has been effective? Ineffective?
- Has your relationship with customers or your policies relating to customers changed?
- Has your relationship with vendors changed?