

# **TOOL & DIE STOCKING PROGRAM**

#### **How It Works**

Apex Tool Works offers a **Stocking Program** to help customers streamline their supply chain and ensure fast access to essential parts. This program allows customers to predefine inventory levels based on anticipated usage for a 12-month period, ensuring next-day availability when needed.

#### The Process:

- 1. Customer Commitment: Based on projected needs, customers specify the quantity of each part to be stocked at Apex for one year.
- 2. Price Assurance: Apex provides a confidential price list for the selected parts, with prices locked in for 12 months.
- **3. Inventory Management:** Apex manufactures and holds the agreed-upon quantities in inventory. Initial lead times depend on the complexity and material of the part.
- **4. Flexible Release & Ordering:** Customers can issue an annual purchase order and release parts as needed or establish a written agreement to place orders each time stock is depleted.
- 5. On-Demand Delivery: Completed parts are available for one-day delivery upon request, and invoicing occurs only at the time of shipment.
- 6. Adjustments as Needed: If inventory depletes sooner than expected, customers can issue a new purchase order or adjust their agreement.

## **Key Benefits**

#### For Customers:

- Cost Savings: Benefit from bulk pricing based on economies of scale.
- Rapid Access: Next-day delivery for stocked items.
- **Budget Control:** Pay only when parts are shipped.
- Price Stability: Fixed pricing for the duration of the agreement.

#### For Apex:

- Efficient Planning: Allows for better long-term production scheduling.
- Enhanced Customer Support: Ensures reliable, fast service tailored to your needs.

### **Customer Responsibilities**

- Obsolete Parts: The customer is obligated to take delivery of any parts deemed obsolete and unsalvageable due to engineering changes.
- Rework Option: If the parts can be reworked, the customer will be informed of the cost and will need to let Apex know how they would like to proceed.
- End-of-Year Review: At the end of the 12-month period, customers will receive a report of remaining inventory and pricing for the next term. If price adjustments are necessary due to material or labor costs, customers can either:
  - Purchase the remaining stock at the original price.
  - . Keep inventory at Apex at the revised pricing.

## **Get Started**

Join the **Apex Tool Works Stocking Program** and experience the convenience of guaranteed inventory, cost savings, and fast delivery. Contact us today to discuss your stocking needs!

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**Concept Through Engineering to Manufacturing Solutions** 

Apex Tool Works, Inc.