

## **We helped a cable manufacturing company to reduce its cost of raw materials through commodity intelligence**

### **About the client**

A well-known American manufacturer, specializing in networking, connectivity, and cable products. It designs, manufactures, and markets signal transmission products for demanding applications

### **Client situation**

- The increasing cost of Copper and Energy results in the increasing cost of the output, i.e., Wires
- There is no product differentiation in the market
- Various competitors are selling the same output by keeping the cost intact

### **Our Solution**

When Magistral was introduced to the client, it reduced the costs and helped the client grow its business while saving money

- Predictive Price Analytics- Prices were tracked and analysis of data was done to prepare a predictive price model
- Expert Interviews- Interviews with the niche area, and the commodity experts were conducted
- Alternatives for affordable and effective packaging- We helped in identifying feasible packaging solutions for the client
- Low-cost Sourcing strategy- Raw materials were sourced from different low-cost countries like Mexico, Indonesia, China, India, etc
- Risk Management Support- Risk intelligence was performed and also custom reports were made
- Business Impact Analysis- Analysis was done on the major factors like supply disruptions, price change, and volatility

### **Outcomes**

Efficient procurement of energy and copper resulted in low cost of wires, in return maximizing the profits by 20%

