How Do You **Predict Spare Parts Needs** with Digital Asset, Inventory, and Demand Management?

Maximizing on reserves of roughly **2.4 billion metric tons** through innovations in operations management

A world-class integrated iron ore mining, rail, and port operation, Roy Hill is the largest single mine in Australia. Currently shipping 55 million metric tons per annum and with an eye to soon increasing this output, the company aims to maximize the return for each metric ton of ore produced. One area of focus has been transforming the way assets are managed and maintained. Roy Hill set out to **increase asset and spare parts availability, optimize inventory, and improve supply chain collaboration** by transitioning from a replenishment model to a demand-driven model for maintenance, repair, and overhaul.
To optimize demand management and inventory, Roy Hill worked with Bristlecone to pilot the SAP® Integrated Business Planning solution, which is powered by SAP HANA®, for its dump trucks, with these benefits expected:

- 10% to 20% reduction in inventory levels for critical dump truck components
- 24 to 60 months of visibility into the demand for spare parts inventory
- 60-month window into the future demand for spare parts (volumetric and financial planning)
- Reduction in working capital by transitioning from a replenishment-based to a demand-driven model
- Optimized production availability in line with demand-chain requirements
- Greater spare parts availability
- Better supplier integration and freight and warehouse optimization
- More informed decision-making, collaboration, and control

"We are working with SAP to create an integrated core of applications to support industry-leading business innovation. SAP Integrated Business Planning was a critical first step to improving asset and spare parts availability, visibility, and supplier collaboration."

Mike Lomman, General Manager Demand Chain, Roy Hill

Roy Hill mines like a factory with data-driven asset management to improve insight, supplier relationships, and profitability.