



Case Study

Supply Chain Management

Murphy Sarawak Oil Company Limited

Warehouse & Inventory Control

K2 Technology provided technical support services and solutions to the Murphy Sarawak Oil Company Limited (MSOCL) warehouse and logistics facility. MSOCL's warehouse supplies the Sarawak offshore oil facilities consisting of three shallow water production platforms and an FSO. MSOCL were partially utilising the DATASTREAM D7i software package for inventory management.

K2 integrated MSOCL personnel into the project group to conduct the following activities:

- Warehouse floor plan design and installation of complete warehouse pallet racking system including mezzanine section.
- Cataloguing of entire warehouse stock item holdings including:
 - Assigning of bin locations;
 - Assigning units of measure;
 - Assigning units of issue;
 - Assigning min/max stock levels; and
 - Assigning commodity class coding.

All of this was in preparation for inventory data to be entered into, and managed by the inventory control module of the CMMS.

- Entire stock holdings were bar code labelled and bagged into individual units of issue;
- CMMS inventory module workflow mapped enabling the use of work orders;
- Raised picking slips and purchase requests required for system generated reorder of stock;
- Stocktake carried out, making adjustments to inventory stock levels in preparation for future stocktakes to be inventory system generated and managed;
- Training – Inventory system and warehousing training documentation developed and MSOCL personnel trained in its use; and
- Inventory reports from CMMS initialized enabling tracking of required warehouse KPIs.

MSOCL can now report on costs and warehouse stock usage, this could not be accurately achieved prior to this work.

Upon completion of the work carried out by K2, MSOCL now have a system (D7i CAMMS) which generates purchase orders triggered by stock usage based on the stock minimum/maximum levels.