SUPPLY CHAIN **SOLUTIONS**

SPEND **LESS.** MAKE **MORE.**

OMNIA
PARTNERS

FASTENAL®

What are the **OPPORTUNITIES** in your supply chain?

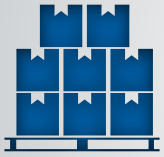
VISIBILITY

How much visibility do you have to parts usage and spend?
What reporting mechanisms do you have in place?
What data do you use as a benchmark for continuous improvement?

CONTROL

What access controls do you have in place?
Is tool/equipment theft or loss a concern?
Struggling with hoarding? Overconsumption? Product misuse?

INVENTORY



How much inventory do you have on hand?
Is excess or obsolete inventory a problem?
What are your current inventory turns?

PRODUCTIVITY

How labor-intensive are your supply processes?
How long does it take employees to walk & wait for needed supplies?
How much production time is being lost due to stock outs?

PURCHASING

How is product reordered? Is it a manual process?
How many vendors are you utilizing for indirect materials?
How many emergency orders do you process?

WHAT DOES YOUR **IDEAL SUPPLY CHAIN** LOOK LIKE?

With an ideal supply chain, your team would always have the right amount, of the right product, when and where it's needed for the job – with no labor, waiting, or waste involved. You'd be able to free up cash, cut costs, better utilize talent, and ultimately focus more resources on the things that separate your business in the marketplace – production, innovation, quality, and service.

What does *your* ideal supply chain look like? Less inventory? Less paperwork? Better productivity? We can help you get there by leveraging our buying power, distribution strength, local presence, and technology lineup to tailor a solution that drives your unique priorities and goals.

When we consult with customers about inventory, we hear some common themes – they want less of it in their facility, they want fewer touches, and they want to reduce their total spend. Through our strategic supply programs, we offer solutions to maximize purchasing leverage and productivity while minimizing the total cost of ownership (TCO) – ideally to the point where the only cost is the cost of the product itself.

STOCK LESS

Our local supply chain takes the risk out of inventory reduction. Product is stocked in our nearby branch and regional distribution center to anticipate your needs, and our logistics fleet and local personnel ensure consistent delivery and replenishment to maintain your targeted inventory levels. Leverage our local infrastructure to reduce your cash outlay and risk.

SPEND LESS

A narrow focus on piece price can lead to complexity, risk, and, ironically, a higher overall spend. At Fastenal, we tackle cost from all angles – vendor consolidation, SKU rationalization, product substitutions, freight reduction, and controls on rogue purchasing and consumption. With this 360-degree approach, piece price becomes a piece of a much larger puzzle.

MAKE MORE

Our job is to help you increase production without adding capacity. We do this by providing solutions that automate processes and eliminate delays, touches, waste, and steps (of the literal and figurative variety). By ensuring perpetual inventory at the point of use, we help your business *make more* – more product, more revenue, more profit.

Growth Through Customer Service®

In an industry that's trending toward a very transactional "pick, pack, and ship" distribution model, Fastenal continues to move closer to our customers in terms of geography and strategic integration. The foundation is our network of 3,100+ in-market servicing locations (spanning 26 countries), enabling us to offer custom local inventory and service programs everywhere our customers operate.

The impact is direct. When we bring inventory into the market, that's product your business doesn't have to carry. When our local experts manage your inventory, that's labor you can redeploy for production. And when we help you reduce delays and costs, that's newfound time and money to grow your business.

RELIABILITY

POWERED BY THE **BIG BLUE MACHINE**

Our ‘hub and spoke’ distribution system positions regional distribution centers at the center of same-day routes to surrounding Fastenal branches and onsite customer locations. Through sophisticated demand forecasting, local inventory modeling, and consistent delivery on our own trucks, we offer an extremely short, reliable supply chain for your business.

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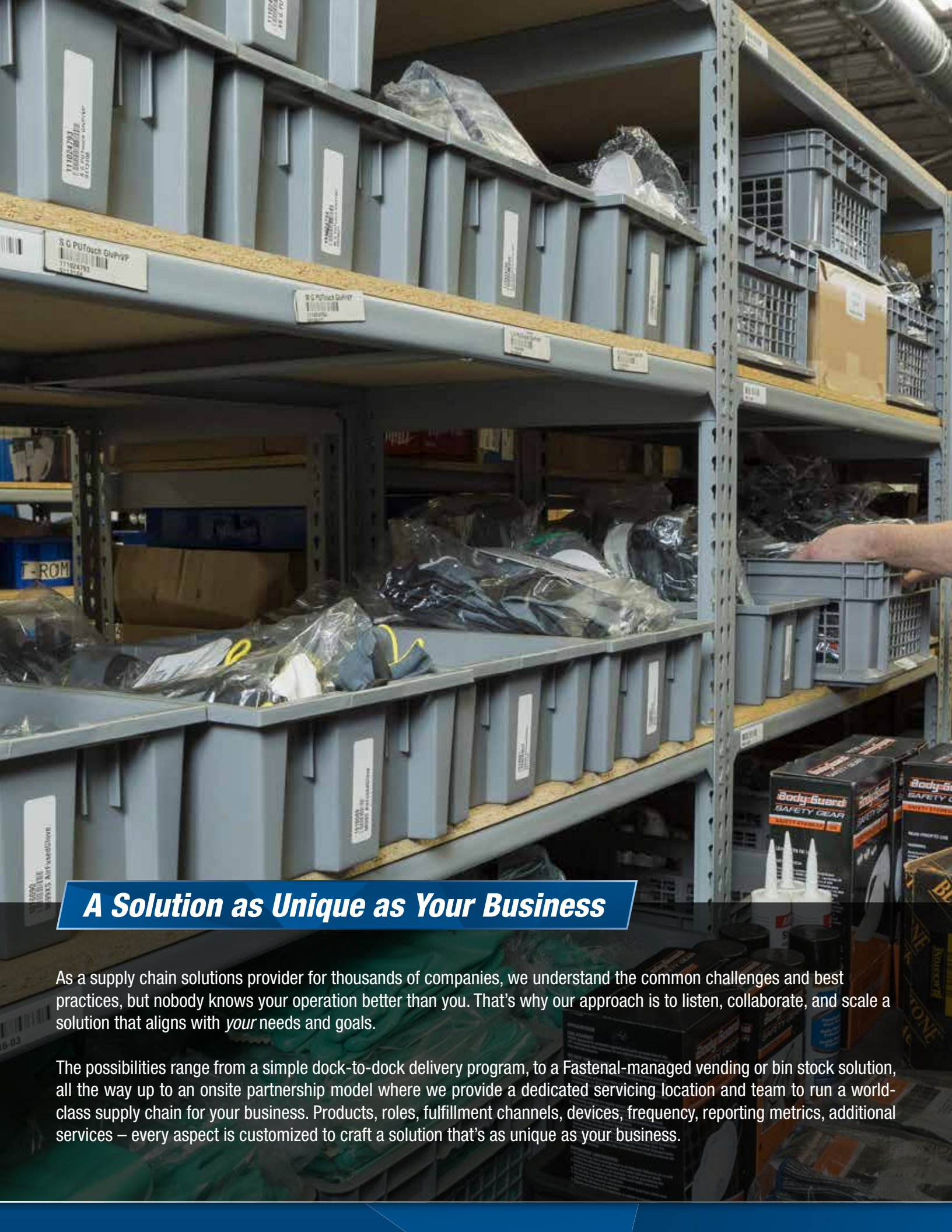

A Solution as Unique as Your Business

As a supply chain solutions provider for thousands of companies, we understand the common challenges and best practices, but nobody knows your operation better than you. That's why our approach is to listen, collaborate, and scale a solution that aligns with *your* needs and goals.

The possibilities range from a simple dock-to-dock delivery program, to a Fastenal-managed vending or bin stock solution, all the way up to an onsite partnership model where we provide a dedicated servicing location and team to run a world-class supply chain for your business. Products, roles, fulfillment channels, devices, frequency, reporting metrics, additional services – every aspect is customized to craft a solution that's as unique as your business.

FROM CONCEPT TO ***CONTINUOUS IMPROVEMENT***

For supply chain transformation projects, the journey typically starts with a site assessment (process mapping event), a collaborative effort between our Lean Solutions team and your stakeholders to identify your challenges and objectives, analyze your current process, and assess the value we can provide as a supply chain partner.

The takeaway is a business plan to achieve your desired 'future state,' including mutually-defined metrics to measure our impact. In addition to providing initial consultation and solution design, our Lean Six Sigma experts execute implementation of the program and remain involved to help drive continuous improvement.

230+ Lean Solutions personnel dedicated to process mapping and implementation.

40+ Villanova-trained Lean Six Sigma black belts.

400+ large-scale implementations completed in 2018.

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Supply Solutions Overview

We offer a suite of solutions to address specific objectives, whether that's to simplify the replenishment process for loose consumables, track assets throughout your facility, increase production through point-of-use access, drive safety compliance, or bring visibility and control to everyday shop supplies. The following pages provide a quick look at some of the 'building blocks' that can be combined and customized to provide solutions for your business challenges.

E-BUSINESS BIN STOCK VENDING ONSITE

Simplify

Unlock labor resources by offloading supply chain functions to a service-focused organization that's 'local' enough to handle the daily work of material management, but 'global' enough to bring value in terms of buying power, product scope, quality assurance, cost savings, and logistics.

72 HOLE BIN RACK

COMPARTMENT DRAWERS

13 SHELF RIVET RACK

Key Benefits:

- Reduce inventory and risk.
  - Our local team visits regularly to maintain target levels.
  - Emergency inventory can typically be delivered within the hour.
- Increase productivity through organization, access, and labor reallocation.
- View accurate usage reporting by location, GL code, and other meaningful metrics.
- Reduce paperwork with a touch-less ordering process.

Monitor

Fast-moving loose consumables can be a good fit for an automated but uncontrolled solution. This technology automatically reports inventory status and generates replenishment orders, but access and usage are not tied to individual employees.

FAST BIN – SCALE

FAST BIN – INFRARED

FAST BIN – RFID

Key Benefits:

- View current inventory status by location.
- Automate replenishment of centralized as well as point-of-use locations to drive productivity.
- Introduce an additional safeguard to prevent outages.
- Eliminate paperwork and administrative costs.

Control

Our service can be paired with automated supply technology that brings visibility and control to consumables of all shapes and sizes – from PPE and wide-ranging MRO items to abrasives and cutting tools. Utilize a simple cloud dashboard to view activity by individual employees, tag each transaction with custom-defined data points (e.g., work order, GL code, department, etc.), and set controls to limit access to products (and/or amounts) based on user profile.

FAST 10000

18 DOOR | CABINET DRAWER | 24 DOOR | SINGLE DOOR | 27 DOOR

Key Benefits:

- Reduce product consumption – typically 25 to 35%.
- Increase productivity through 24/7 point-of-use access.
- Automate replenishment (no paperwork or labor required).
- Simplify expense tracking, view dynamic usage reporting.
- Drive compliance for safety and product standardization projects.

Track

We also offer solutions to automate asset tracking and management within your facility. Drive cost savings and productivity by making job-ready tools and equipment continually accessible near the point of work.

LOCKERS

30 DOOR | 27 DOOR | 12 DOOR | 18 DOOR | 36 DOOR

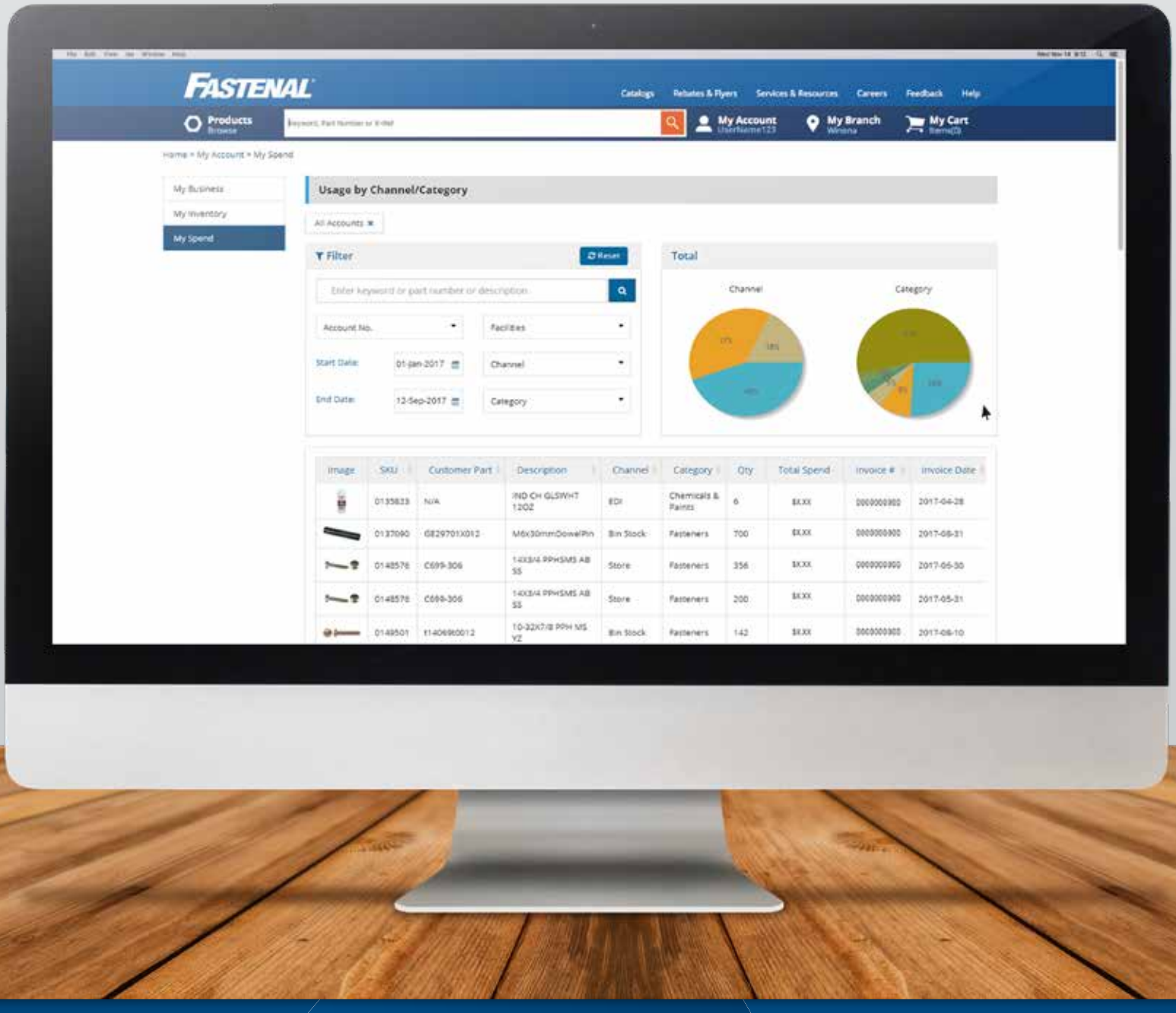
Key Benefits:

- Reduce employee walk and wait time by decentralizing assets and automating the check-out/return process.
- Control loss and theft by connecting each item to the most current user.
- Receive an alert when an item isn't returned within a custom-defined time period.
- Improve productivity, safety, and quality by scheduling alerts or lockdowns for equipment recharging, inspection, or recalibration.

FAST 360°SM

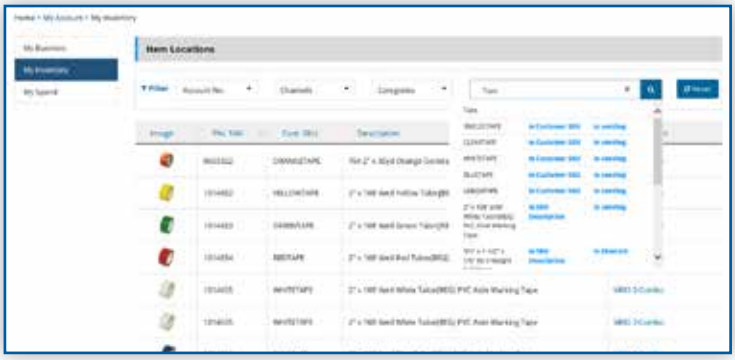
A SINGLE WINDOW TO OUR BUSINESS RELATIONSHIP

Our supply chain activities and solutions produce a spectrum of data – product info, locations, levels, user profiles, pricing, frequency – which we mine and customize to provide unique insights into your business. All of this information is available through a single dynamic window: the FAST 360° dashboard on Fastenal.com and Fastenal.ca.



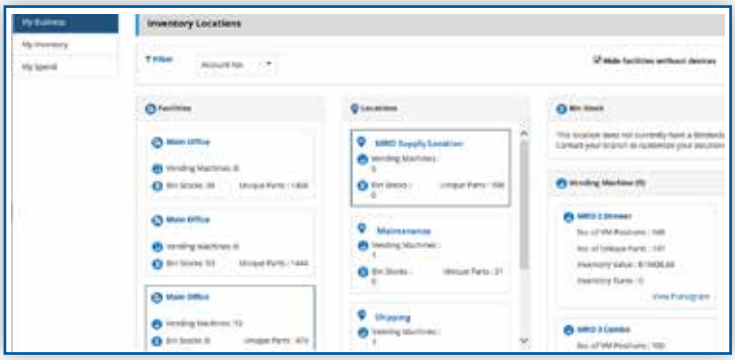
Search, analyze, *and* ***manage*** *your supply chain with three easy-to-use modules:*

My **Inventory**



A dynamic view of the Fastenal-managed inventory across your facilities. Search for parts by product category, sales channel, and location, all the way down to an individual bin or vending position.

My **Business**



A 'blueprint' of how Fastenal-managed inventory is organized by location. Pull up device planograms to view exactly where the product resides within your Fastenal bin stock and vending solutions.

My **Spend**

A set of tools to help you analyze your spend by facility, sales channel (bin stock, vending, EDI, branch, web), and/or product category. Drill down to an individual category or part to understand the spend dynamics behind it.

End to End Capabilities

Our service extends far beyond inventory management. Here's a look at the resources we can draw on to provide an impact for your business. This includes industrial services, custom manufacturing, and other solutions that can be incorporated into an inventory program to drive additional value.

Supply Solutions

E-Business

- Robust e-commerce capabilities via Fastenal.com and Fastenal.ca
- Fastenal Express – online ordering with same-day or one-day fulfillment
- B2B integration to streamline the P2P process

Bin Stock

- Customer managed inventory
- Fastenal managed inventory
- Automated monitoring/ordering through infrared, RFID, and scale technologies
- OEM fastener programs

Vending

- Lineup of machines to reliably dispense and track a variety of products
- Control and track activity via cloud dashboard – no software to install
- Automated replenishment by your Fastenal branch or onsite team
- Fastenal provides training, installation, tech support, and ongoing optimization

Onsite

- Dedicated onsite experts to handle desired business activities
- Fastenal-owned inventory within an onsite or nearby offsite location
- Flexible point-of-use replenishment
- Custom reporting reflecting your top business priorities

Services

Product Services

- Sourcing support via our network of 7,300+ certified corporate suppliers
- Turn-key global importing, including factory audits and product inspections
- Custom packaging/kitting
- Custom logo PPE

Manufacturing Services

- Precision machining
- Hot forging
- Cold forming
- Stud bolting
- Tool & cutter grinding
- Metals, alloys & materials services

Industrial Services

- Custom lifting & rigging solutions
- Cut-to-length metal, chain & cable
- Hose fabrication
- Tool & hoist repair and certification
- Weld-to-length band saw blades

Specialist Support

Lean Solutions
- Process mapping (site assessment to identify supply chain waste)
- System design
- Program implementation
- Participation in kaizen events and continuous improvement

Engineering
- Technical questions
- Bolted joint design support
- Failure analysis
- Application-specific testing
- Fastener trainings
- Product teardowns to identify fastening efficiencies

Safety
- Site assessments
- Consultation re: OSHA compliance and best practices
- Safety trainings
- PPE fittings
- Equipment inspections
- SKU rationalization

Metalworking
- Product selection consultation
- Application analysis to optimize productivity/wear vs. cost
- Supplier support available

Construction
- Product consultation
- Job site inventory solution design/ implementation
- Custom reporting

National Accounts
- Corporate liaison to leverage spend, ensure consistency across multiple locations
- Local engagement to support individual site needs
- Quarterly business reviews and custom reporting

Supply Chain Solutions
- Sales specialists to assist with selection, design, and product optimization.
- 24/7 technical support

Reach out to your local Fastenal service team to see how we can help your business reduce costs, increase productivity, and **do more of what you do best.**

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