



The Client

Toro is a leading worldwide provider of innovative turf, landscape, rental & construction equipment, and irrigation and outdoor lighting solutions serving the needs of golf courses, sports fields, public green spaces, agricultural, commercial and residential properties.



Pain Points & Challenges

- ⇒ Complex supply base with growing material costs
- ⇒ Challenges in maintaining gross margins and shrinking profit after tax
- ⇒ Growing and diverse product portfolio with increasing warranty liability
- ⇒ Need to improve synergy and integration with recent acquisitions

“Pragmatek provided the consulting expertise we needed to help us propel our Five by 5 initiative (gain 5 pts in PAT) by providing highly skilled and seasoned consultants that knew how to identify opportunities and execute improvements to get results necessary to accomplish our goals in an efficient and effect manner.”

–Ken Melrose, Former CEO

Pragmatek Solutions

- ⇒ Applied Supply Chain Operations Reference (SCOR) model best practices to realign business processes
- ⇒ Delivered a focused portfolio of hard-hitting ROI-based improvement projects to drive productivity
- ⇒ Standardized processes and implemented tools to facilitate the integration of acquisitions
- ⇒ Implemented strategic sourcing, material rationalization, and quality to drive cost reduction.
- ⇒ Streamlined SAP Order-to-Cash process to improve overall cycle time and improve Cash-to-Cash Cycle

The Payoffs

- ⇒ **\$162M Supply Chain Savings** over 3 Years
- ⇒ **37 Days Improvement** in Cash-to-Cash Cycle
- ⇒ **\$7M Reduction** in warranty costs
- ⇒ **5% Improvement** in Profit After Tax within 3 years