

Accurate supplier KPI visibility improves On Time & In Full performance by 23%



CASE STUDY: GRAHAM

Following the successful implementation of Wesupply's On Demand Electronic Trading Solution, Graham is currently piloting a Proof of Delivery Transaction from its suppliers which includes the use of voice-recognition technology. Graham is also considering extending the scope of the system, with extra sophistication across the Group's processes including Invoice Delivery & Validation & Matching, and implementation of the Supplier Management Console, which enables visibility of suppliers' KPIs.

BACKGROUND AND CHALLENGES

The Graham Group is a leading plumbing, heating and sanitaryware merchant within the UK. Graham incorporates the Graham, Ashworth, Curzon, Priority Plumbing Supplies and Plumbpoint brands, it has 2000 employees and 250+ branches. Graham is part of Saint-Gobain Building Distribution UK.

In 2005, Graham identified that their supply chain was a key area of their business where electronic trading could make a significant difference to the way in which they operate.

Graham utilised a manual branch ordering process involving faxing purchase orders to suppliers, which was proving highly time-consuming and prone to errors. Historically, the only electronic trading in process was

invoice transaction, therefore all other transactions were reliant on manual processes and consequently, delays.

Graham was challenged with a lack of branch visibility on the fulfilment of orders from suppliers, resulting in the need to chase progress via the telephone. Unrealistic delivery times were being set on outbound purchase orders due to the lack of accurate supplier lead time and delivery calendar information, again resulting in follow up phone calls.

The culmination of this lack of visibility and information sharing resulted in Graham having no accurate supplier delivery performance information, only the information sourced from suppliers, resulting in a dis-jointed, manual and costly process.

Graham made it a major business objective to improve the efficiency and effectiveness of their supply chain, by getting all of their suppliers to work 'smarter'. The Internet was identified as the ideal mechanism to share common real-time information with their suppliers and hence increase profitability by reducing cost and waste.

In addition, Graham was looking for a solution which offered the following:

- Capability of dealing with the diversity of size and IT functionality within the Graham supplier base

- Provide Graham with complete control of the transactional process, thus ensuring 100% 'best practice' compliance
- Be mutually beneficial to suppliers
- Be ultimately configurable; permitting data and information exchanges in a number of ways and accommodate any future change with the Graham ERP/IT systems.
- Easy and quick to implement.

Graham implemented Wesupply's On Demand Electronic Trading Solution, via a OneTime™ connection across the group to electronically connect its 250 branches and 130 suppliers. The solution established an electronic supply network linking remote business systems across branches and suppliers enabling the delivery of its five key transactions; Purchase Orders, Invoices, Order acknowledgements, Advance Shipment Notices and Goods Receipt Notes.

THE SOLUTION

Wesupply's OneTime™ architecture offered an immediate means of rapidly integrating delivery mechanisms, applications, message formats and mobile devices across the Graham Group and its suppliers. The solution provided a cost-effective, efficient, intelligent and embracing method of electronic message delivery between all branches and suppliers, using any common format.

Wesupply's unique proposition means that the solution goes beyond traditional EDI message transfer, by adding sensory value through monitoring, reacting and responding to events within the chain. The solution added intelligence to the key transactions through delivery and lead-time alerting such as lead time and delivery calendars, and acknowledgement, shipment and receipt exceptions. This enables early detection of potential problems allowing Graham time to take considered corrective action.

The single OneTime™ connection to the network involves limited resource from Graham. Wesupply adopts and connects the suppliers, trains the branches, and supports the connected suppliers and branches. Wesupply's full adoption, enablement and support service ensures full delivery of potential value.

"The Wesupply solution enables us to manage our supply network with alerting and analysis intelligence including spend, order exception, shipment performance and On Time & In Full Performance analysis."

Patrick Guest, Marketing Director,
The Graham Group.

INTELLIGENT BENEFITS

As a result of implementing Wesupply's On Demand Electronic Trading solution, Graham is the only UK merchant to offer suppliers a choice of connection. Over 230 branches are connected to Wesupply and 130 of its preferred suppliers. Nearly 400,000 orders and 2,000,000 order lines are processed electronically through the system, equating to 96% of total order volume, which has significantly reduced manual effort.

Branch and supplier visibility has significantly improved due to transactions taking place across the Wesupply network. Monitoring and alerting is now available on key fulfilment events such as:

- Late/non acknowledgement of orders
- Supplier exceptions (price, quantity or delivery date)
- Late/non shipment of orders
- Late/non receipt of orders
- Receipt exceptions (price change, receipt date or receipt quantity)

The Wesupply solution enables Graham to manage its supply network and analyse supplier performance, due to accurate supplier performance visibility across Graham and its suppliers. All suppliers connected to Wesupply are now measured, resulting in the ability to produce supplier league tables by group and/or type, and overall supplier On Time & In Full performance has significantly improved by 23%.

Key Points:

- Over 250 branches and 130 of Graham's preferred suppliers are now trading electronically through Wesupply
- Nearly 400,000 orders and 2,000,000 order lines are processed electronically through the system, equating to 96% of total order volume, which has significantly reduced manual effort.
- The Wesupply solution enables Graham to manage its supply network and analyse supplier performance, due to accurate supplier performance visibility across Graham and its suppliers.

- All suppliers connected to Wesupply are now measured, resulting in the ability to produce supplier league tables by group and/or type.
- Supplier On Time & In Full performance has improved by 23%.

VIEWPOINT

"We now have a consistent and accurate measurement of supplier performance into all of our branches. This enabled us to work with suppliers on data accuracy, service improvement and lead time reduction."

Patrick Guest, Marketing Director,
The Graham Group

