

Building sales and improving supplier performance



CASE STUDY: JEWSON

Jewson Ltd had a cumbersome supply chain management system that combined outdated manual entries, telephone calls and fax exchanges with suppliers. By using Wesupply's Electronic Trading solution Jewson increased sales, lowered inventory, improved stock turnover and gained better control of supplier deliveries.

BACKGROUND AND CHALLENGES

Jewson Ltd prides itself on being the United Kingdom's leading supplier of timber and building products, with more than 750 branches. But while its growth from a single store in 1836 in Cambridgeshire was impressive, some of its supply chain operations looked more like the 19th Century than the 21st Century.

Manual entries – supplemented by telephone calls and faxes - were the only means of tracking orders to suppliers and their subsequent delivery to trading locations. An initial attempt by Jewson to modernise the system on its own was successful but it wanted far more.

Jewson wanted to accomplish those goals without adding the costs of additional information technology professionals, hardware or software.

"We knew what we wanted but found that we couldn't do it ourselves. We needed a seamless system of electronically placing orders, and then seeing when they were delivered. At the same time, we wanted to track how well our suppliers were meeting their delivery promises."

Stephen Bacon, Supply Chain Director at Jewson

THE SOLUTION

Jewson got what it needed in the form of the Wesupply Electronic Trading and Business Activity Monitoring solution delivered through IBM Managed Services in a Software as a Service (SaaS) model hosted by IBM in Warwick and North Harbour. Wesupply, an IBM Business Partner, based its solution for Jewson on IBM OS/400, IBM WebSphere Development Studio and IBM iSeries servers.

Although a few other vendors vied for the Jewson business, what tipped the scales in favour of the IBM and Wesupply solution was that it was the only one offering SaaS.

The SaaS solution enables Jewson to transmit orders electronically to its suppliers, who, in turn, use Wesupply to respond with acknowledgements and invoices. Consequently, Jewson knows the status of each order and can tell customers when the materials they are buying will be delivered.

“The system has resulted in increased sales, better stock turnover and lower inventory,” Bacon said.

INTELLIGENT BENEFITS

What’s more, Jewson now has a complete picture as to how well suppliers are meeting their delivery promises, something that wasn’t possible before.

“As a result, we’ve enjoyed a 23 percent improvement in supplier performance,” Bacon said. “At the same time, it helps us improve ourselves,” he noted.

Jewson, based in Coventry, is part of the Saint-Gobain Building Distribution Group, a leading global building materials distributor.

Wesupply has been an IBM Business Partner for eight years, and it has based its offerings on IBM software and hardware since opening for business in 1999, said

Simon Bowes, Wesupply alliances director. *“We keep building our relationship and we are proud to have completed validation for the IBM Retail Integration Framework,”* Bowes explained.

“When we inform potential customers that IBM will host their applications, the name IBM takes the issue of security off the table. We tell them, “You don’t have to worry about security. Your data is safer with Wesupply and IBM than it would be inside your own firewall,” Bowes said.

Wesupply serves more than 400 customers across Europe, the United States and Asia Pacific.

