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Improved Collaboration Maximizes Global Supply Chain Performance

This American holding company is a leading retailer of high-end fashion goods under many notable brands with operations across five continents. With revenues approaching $6.7 billion annually, they are continually focused on product innovation to address changing consumer needs by maintaining a fresh and compelling assortment of products. Their products include handbags, footwear, gloves, scarves and fragrances.

The company's current multi-channel global distribution model includes directly owned retail stores in North America, Asia and Europe. They have an e-commerce presence in multiple countries and sell products to wholesale customers and distributors in approximately 35 countries. Like many global companies, they are achieving sustainable growth from established international markets while expanding operations into emerging markets.

Streamlining Complex Processes

The company realized its international sourcing and supply chain processes relied too heavily on manually intensive processes and required a transformation. The development of products and managing the product lifecycle was increasingly complex and compounded by the variety of fabrics required, costly leather, and multiple types of embellishments.

Inefficient processes and a tremendous number of duplicate efforts resulted from

- a large number of sourcing and supply chain partners
- diverse geographic locations
- required masses of information exchanged

With this scenario, the retailer recognized the need to manage internal and external supply chain processes better and facilitate information access with strategic trading partners, especially raw material suppliers.

Additionally, product development complexity was intensifying. The company wanted to simplify and standardize its data management processes associated with materials management, bill of materials (BOM), costing collaboration and supplier allocation. For example, global suppliers were required to log into multiple systems to obtain documents and information on procedures, training manuals, certifications, and other general communications.

Visibility was another challenge because design groups had no insight into the available materials for future order allocation. The company relied on various manual-based methods to manage processes with trading partners, including Excel spreadsheets, email, text, regular mail and phone.

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The Solution was a Winning Combination

The company chose to implement e2open's cloud-based platform solutions to centralize global sourcing processes and streamline supplier collaboration with its sourcing and supply chain teams. The solution eliminates duplication and redundancies of product development and supply chain information, allowing for increased process efficiencies with suppliers and production partners.

The project took a phased implementation methodology to ensure success and the highest user adoption. Initial supply chain collaboration capabilities were deployed in early 2011, with additional capabilities going live later that year. The implementation team consisted of supply chain experts that understood collaborative product development and global sourcing processes, data analysts that understood how the BOM and part data were managed in the ERP system, and IT resources. A dedicated project manager coordinated the project and managed the scope, timeline, and cost.

The importance of this combination of people, processes and technology for the success of this project has been fully addressed and has an ongoing impact on the supply chain organization. In the case of technology, the solution has ensured system automation for many of the global sourcing and product development transactions previously managed manually. Best practice supply collaboration processes were implemented to ensure the timely exchange of information with all supply partners. Ongoing training of the staff and consistent communication with the team were important to increase project acceptance and reduce reliance on prior processes.

Change Is Good

The project altered the retailer's business processes to manage and share product and production data with raw material suppliers, service providers and other supply chain partners. For example, suppliers and material providers access a portal to receive compliance manuals, safety regulation documentation, and additional documentation. Information is now exchanged electronically, resulting in quick access to information and the ability to respond more cost-effectively to critical supply issues.

The company has improved collaboration with suppliers and other supply chain partners. This change reduced error rates that previously negatively impacted product development cycle times. With improved cycle times and data accuracy, the company has accelerated the time-to-market for many products. Additionally, the sourcing and supply chain teams have improved supplier analysis to determine where to devote efforts in achieving performance improvements.

This retailer has centralized and automated its sourcing and supply chain processes helping to optimize its global operations. This has benefitted the company by improving support for their growth objectives, achieving continuity across their teams and reducing global supply chain risks.

With e2open, this global, private label brand house:

- Improved collaboration with suppliers and other trading partners
- Enhanced product development and lifecycle processes
- Reduced manually intensive efforts
- Improved exception management capabilities
- Increased supplier performance

About E2open

At e2open, we're creating a more connected, intelligent supply chain. It starts with sensing and responding to real-time demand, supply and delivery constraints. Bringing together data from customers, distribution channels, suppliers, contract manufacturers and logistics partners, our collaborative and agile supply chain platform enables companies to use data in real time, with artificial intelligence and machine learning to drive smarter decisions. All this complex information is delivered in a single view that encompasses your demand, supply and logistics ecosystems. E2open is changing everything. Visit www.e2open.com.

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