

V

E T C



“ETC, in conjunction with Vivacadena, has achieved a uniform, automated way of working.”

Milfred Hart | General Manager, ETC





COMPANY PROFILE | ETC is a large ICT wholesaler

- Dutch subsidiary of UK-based Specialist Computer Holding (SCH); second biggest player in the Netherlands with one EDC, approx. 70 Pan European suppliers and 2500 retail clients
- dual strategy with logistic and warehousing wholesale services based on efficiency, and value based full service concept for large enterprise market

PROBLEM ANALYSIS | ambiguous measurement and reactive inventory management

- significant turnover (sales) lost due to unavailability of the right inventory at the right place
- allocated working capital in wrong/excessive/aged inventory with rapid risk of depreciation due to short product life cycles

THE CHALLENGE | increase process efficiency to increase profit

- decrease lost sales by improving product availability without inventory increase
- decrease order lead-times

INTRODUCTION OF VIVACADENA | enables:

- improved efficiency of daily operations: higher automation enables professionals to focus on exceptions only: the system addresses up to 80% of replenishment requirements without human intervention
- reduction of order lead-times: shift from fixed supply cycles to daily ordering and frequent replenishment, based on actual sales
- improved process discipline: transparent web reports support a consistent and uniform way of working throughout the purchase department
- integrated measurement: introduction of coherent operational, tactical and strategic KPI's with a focus on lost sales reduction and increased inventory turnover (monitored per SKU/location/Day)

RESULTS | 50% reduction of lost sales in the first year, without substitution

- less ageing of the inventory and thus decline in depreciation
- positive change of assortment mix with 50% reduction of non-moving articles, 15% increase of fast moving articles

