SYNC
A GS1 US COMPANY

CONNECTING TRUSTED
PRODUCT DATA EVERYWHERE

"When suppliers get on board [with GDSN and Product Introduction], it makes a dramatic difference for our businesses and our retailers. Suppliers have reduced the time for new item set-up from weeks to as little as one day—an amazing time-to-market improvement." —BECKEY JAMES, *eCommerce Manager, McLane Company*

CASE STUDY

Global distributor and its suppliers use 1SYNC Product Introduction for dramatic time-to-market results.

MCLANE COMPANY: HIGH STANDARDS FOR HIGH SPEED

CHALLENGE

McLane used a manual new item set-up process that was complex, error-prone and labor-intensive. New products were delayed getting to market. Suppliers' sales representatives spent time correcting data and communicating back and forth with McLane's buyers, spending less time with customers.

SOLUTION

McLane adopted 1SYNC Product Introduction, a collaborative solution that delivers a streamlined and accurate item set-up process for McLane and its trading partners.
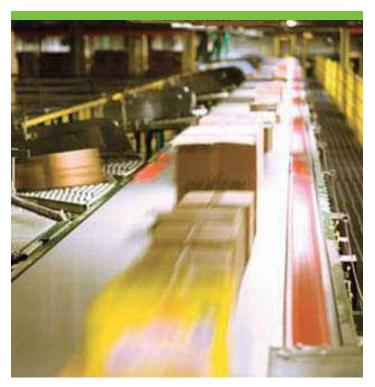
BENEFITS

• McLane and suppliers have experienced, on average, an estimated 69 percent improvement in new item set-up intervals for faster time to market.

• Improved data accuracy has resulted by eliminating error-prone manual processes, duplication of effort and loss of productivity from re-work. This has reduced transportation and labor costs for all trading partners in McLane's supply chain.

McLANE®

"We recognize the value in Product Introduction for keeping our sales representatives focused on customers versus maintaining data." —ROB HOFFMAN, *Program Manager, The Hershey Company*

Beckey James, eCommerce manager with the McLane Company (McLane), has high standards for herself, McLane's merchandising teams and the company's suppliers. With laser-like focus, James describes her vision of an automated, standards-based process in which McLane collaborates with its suppliers to introduce new products with lightning speed and 100 percent data accuracy. James is turning this vision into a reality.

James works in McLane's general merchandising division, distributing grocery, health and beauty items and general merchandise to tens of thousands of convenience stores, mass merchants, drug stores and military locations, as well as some foodservice operators. McLane has over 38 automated distribution centers and one of the nation's largest fleets.

With McLane's expansive reach, it's easy to understand James' dedication to creating a new product introduction process. "We have a lot to gain from automating our processes," says James. "With increased automation comes increased efficiencies. It also increases our need for accurate data."

For years, James has been improving the quality of McLane's data. Using 1SYNC Product Data Management solutions and the GS1® Global Data Synchronization Network™ (GDSN®), James has centralized control for all item data attributes and updates. "Using 1SYNC solutions, we receive and verify all item information from suppliers before synchronizing the data with retailers. This ensures the accuracy of product data throughout the entire supply chain."

HERSHEY

The Hershey Company is the leading North American manufacturer of quality chocolate and non-chocolate confectionery and chocolate-related grocery products. The company also is a leader in the gum and mint category. Headquartered in Hershey, Pa., The Hershey Company has operations throughout the world and more than 12,000 employees.

www.thehersheycompany.com

"By simply using Product Introduction, we're in the market at least three days earlier than before." —**ROB HOFFMAN**, *Program Manager, The Hershey Company*

For the new item set-up process, McLane used a manual process with paper-based forms. The process was complex, error-prone and labor-intensive. New products were delayed getting to market. Suppliers' sales representatives spent more time correcting data and less time with customers.

Today, McLane's suppliers are required to submit item data via the GDSN and the 1SYNC Product Introduction solution—a secure, web-based platform that standardizes the way suppliers and McLane work together on the new item set-up process. Suppliers become certified by McLane after taking steps to ensure quality data practices.

"Using Product Introduction and GDSN are key components of achieving and maintaining Certified Supplier status at McLane," explains James. "I guess you could say we have high standards, but when suppliers get on board, it makes a dramatic difference for our businesses and our retailers. Suppliers have reduced the time for new item set-up from weeks to as little as one day—an amazing time-to-market improvement."

TIME-TO-MARKET SPEED

Launched in April 2010, the 1SYNC Product Introduction solution is currently used by McLane and approximately 400 of its suppliers in the new item set-up process.

James recalls what triggered McLane's adoption of Product Introduction. The company's suppliers had invested in data synchronization and were very interested in using the GDSN for new item set-up.

"Product Introduction is the perfect complement for the GDSN. We were pleased when 1SYNC developed and offered the solution since developing something on our own would have meant a significant investment for us in terms of upfront development and on-going support and maintenance. We wasted no time adopting 1SYNC's Product Introduction solution.

Before Product Introduction, McLane used multiple, primarily manual, processes, for setting up new items. Suppliers were asked to complete a form and fax it back to McLane. "Even those suppliers that were technically savvy had to fill out the form," says James. "It was laden with errors and took a lot of time." Like McLane, The Hershey Company (Hershey) has been "synching data" for close to a decade.

Certified Suppliers = Time-to-Market Improvements

Being a McLane Certified Supplier means getting new products to market much quicker than before. This is because a Certified Supplier is publishing all new item data via the GDSN and setting up new items using the Product Introduction solution. Key features of Product Introduction help trading partners better collaborate and gain increased visibility throughout the new item set-up process. As a result, McLane suppliers have improved new item set-up intervals from weeks to as little as one day.

"We recognize the value in Product Introduction for keeping our sales representatives focused on customers versus maintaining data," says Program Manager Rob Hoffman.

Even though Hershey maintained accurate data within its own systems, Elissa Goodin, customer management analyst, still had to deal with McLane's manual process.

"With the form, there was a lot of going back and forth [with McLane]. In our business, getting a new product to market is everything. In the very beginning of a new product's lifecycle, it can fly off the shelves. If it's delayed, we lose sales."

SWISHER

Based in Jacksonville, Florida, Swisher International, Inc., is a leader in the tobacco industry, producing cigar and smokeless tobacco brands that include the largest-selling cigar brand in the world: Swisher Sweets, King Edward, Optimo, Mail Pouch, and Lancaster chewing tobaccos, Kayak moist snuff, and Navy and Railroad Mills dry snuff. Swisher products are exported to more than 80 countries worldwide. www.swisher.com

SWISHER INTERNATIONAL, INC.

"Before we implemented Product Introduction and data synchronization, we were missing our first-to-market goal about 80 percent of the time. With Product Introduction, we are first-to-market about 95 percent of the time."

— **TAMI BROWN**, *VMI/EDI/DATA Manager, Swisher International, Inc.*

Time-to-Market Improvements

Estimated Improvements in New Item Set-up Intervals:

	BEFORE PI	WITH PI	IMPROVEMENT
Hershey	4 days	1 days	75%
Jack Link's	14 days	10 days	29%
Swisher	15 days	1 day	93%
TNT	10 days	2 days	80%

With the switch to Product Introduction, Goodin estimates Hershey's new item set-up interval has decreased from four days to one day. Hoffman adds, "By simply using Product Introduction, we're in the market at least three days earlier than before."

Another long-time supplier for McLane, Swisher International, Inc. (Swisher) is relatively new to data synchronization, yet it didn't take long for the company to become a Certified Supplier. "McLane approached us with the business reasons and it made a lot of sense," says Tami Brown, VMI/EDI/DATA manager. "McLane educated us about the new item set-up process and walked us through how we would work together."

Brown points to the importance of speedy time to market for Swisher. "The tobacco market is very competitive with very small margins. McLane services over 32,000 convenience stores. Lagging behind a competitor when it comes to getting product on the shelves in 32,000 stores is not acceptable."

Using data synchronization, Swisher was able to improve its new item set-up interval from approximately three weeks to four days. With the advent of Product Introduction to the process, Brown advises she can reduce the interval to as little as one day.

"Before we implemented Product Introduction and data synchronization, we were missing our first-to-market goal about 80 percent of the time," advises Brown. "With Product Introduction, we are first-to-market about 95 percent of the time. This has had a substantial impact on our revenue with McLane."

"We believe accurate data has saved our company in transportation costs and penalties." — VALERIE POST, *Items Set-up Specialist, Jack Link's Beef Jerky*

TNT Marketing (TNT), a division of CROSSMARK, specializes in the convenience store industry. Jaime Casas, senior account administrator, oversees the new item set-up process for many of McLane's manufacturers. "In the C-Store industry, we need to capitalize on advertising investments within the first days of a new product launch," explains Casas. "With Product Introduction, new item set-up is significantly faster." Casas has been actively working with manufacturers to get them certified. "When they realize their new products will get to market much faster, it's not hard to convince them!"

HIGH DATA ACCURACY

For James, perhaps the most important Product Introduction benefit is improved data accuracy. Product Introduction eliminates data input errors, since new item data is validated upfront at the point of entry. By "turning off the paper" and implementing new item process checks within Product Introduction, McLane and suppliers have eliminated error-prone manual processes, duplication of effort and the loss of productivity from re-work.

Greater Data Accuracy

McLane and suppliers have experienced improved data accuracy and reduced associated costs by eliminating error-prone manual processes, duplication of effort and loss of productivity from re-work.

- Bunzl and Jack Link's have saved in costs associated with transportation and re-work due to underweight or overweight trucks.

- Hershey has experienced cost and time savings throughout the supply chain. The company has virtually eliminated time spent during sales calls correcting data errors. That time is now better spent partnering with the customer for increased sales.

- Swisher has eliminated fees associated with re-weighing incorrect products.

- TNT has reduced the percentage of uncontrollable data errors per new item set-ups from approximately 10 percent to 2 percent.

TNT MARKETING

TNT Marketing is a division of CROSSMARK, a leading sales and marketing services company in the consumer goods industry. CROSSMARK provides growth solutions with exceptional service to manufacturers and retailers. For over 100 years, CROSSMARK has been helping some of the most powerful brands in the world reach and exceed their business objectives across a wide range of retail channels. www.crossmark.com

TSN

TSN West, LLC—A Bunzl Company is a leading provider of operating supplies and retail goods to convenience store wholesalers and retailers. TSN distributes over 2,500 items to McLane from more than 400 different manufacturers. www.bunzl.com

"Data accuracy is a driving force for our business. It has a direct impact on our ability to effectively manage inventory and transportation costs." — **MIKE GOODWIN**, *Regional Procurement Manager, TSN West, LLC—A Bunzl Company*

TSN West, LLC—A Bunzl Company (TSN) has been a McLane partner for over 20 years. "We are a distributor working with a variety of manufacturers. So this is the four-tier model within the supply chain," explains Mike Goodwin, regional procurement manager. "Being a VMI (Vendor Managed Inventory) partner, one of our key initiatives with McLane has been to reduce the amount of inventory they need to carry while still satisfying their customers. Data synchronization with data quality practices is helping us reach this goal."

TSN and McLane have been working together to align with accurate item data in their respective databases. With Product Introduction, the companies easily collaborate to ensure data accuracy for new items.

Even with manufacturers' assurances of accurate weights and dimensions, discrepancies have occurred in the past. James explains, "Now, with Product Introduction, we report back any errors with weights and dimensions that come from the manufacturer. One time we identified a 10-pound difference on one product. This would have obviously caused major transportation issues if not corrected."

Goodwin agrees, "Data accuracy is a driving force for our business. It has a direct impact on our ability to effectively manage inventory and transportation costs. In the past, we would prepare orders and the warehouse would advise us that 'the 50 cases of product wouldn't fit into the truck.' Or, we thought we had a full order and still had a quarter of the truck empty. These situations happen rarely now, and any data discrepancies are promptly identified and corrected."

Swisher has eliminated costly fees associated with re-weighing incorrect products. "We pay for all carrier fees for products shipped to McLane. If the weight was incorrect, the carriers would have to re-weigh the product and would charge us. This was costly for us and a big issue for McLane since they couldn't cube their trucks accurately if our data was flawed. Those issues have been virtually eliminated with Product Introduction and data synchronization."

Jack Link's Beef Jerky (Jack Link's) fully realizes the value of accurate data. This business from Wisconsin's great North Woods has quickly expanded in past years—and continues to grow as its products become increasingly main stream.

"Beef jerky has always been popular with outdoorsmen. Yet, now it is recognized as a high protein, low-calorie snack or meal for anyone on the go," explains Valerie Post, items set-up specialist. "As a result, our product line has become increasingly more diversified; we introduce, on average, about 400 new product configurations per year."

Post continues, "We believe that when our company is certified, Product Introduction will significantly shorten the time it takes to get our items introduced through McLane. Product Introduction provides direct accountability for where a new item is in the new item set-up process."

Jack Link's has taken major strides to improve its internal processes for accurate data. "We learned from 1SYNC about how to properly measure the dimensions of our products," comments Post. "And by centralizing and controlling our master data via the GDSN, McLane and our other customers can put a great deal of trust in our data."

Post remembers the days when Jack Link's trucks were less than optimized when transporting products throughout the U.S. from its distribution center. "We believe accurate data has saved our company in transportation costs and penalties."

Having accurate data is Number One for TNT. Jaime Casas remarks, "Before data synchronization and Product Introduction, about one in 10 new item forms had incorrect data. Now, we've only had one incident out of about 50 new item set-ups where data was incorrect."

HIGH MARKS

With the new item set-up process, McLane and suppliers alike give the Product Introduction solution high marks for the benefits it delivers for their businesses.

A top benefit includes the greater visibility of the new item data and its status for all trading partners.

"With Product Introduction, I know exactly where the new item is in the set-up process. From the point I first publish

"Product Introduction has enabled McLane and our suppliers to use just one process for listing new items. As more trading partners use Product Introduction, we can accelerate our time to market, gain greater data accuracy, and become even more productive." — BECKEY JAMES, *eCommerce Manager, McLane Company TSN West, LLC—A Bunzl Company*

the item, I can tell within minutes who has it and monitor it through the process," says Tami Brown with Swisher.

Another favorite benefit is the ability for trading partners to better communicate and collaborate. "Having Product Introduction really streamlines the new item set-up process. Now I know who to go to with a question, so it has eliminated any confusion about who is accountable. I send a question to a specific person which really lends itself to collaboration," says Elissa Goodin with Hershey.

For McLane and suppliers alike, Product Introduction benefits result in business benefits. By shortening the new item set-up interval, all trading partners get new products to market much faster. "It's not often that we get a tool that gives us back time to focus on driving additional sales and revenue for our clients," comments Casas with TNT.

James concludes, "Product Introduction has enabled McLane and our suppliers to use just one process for listing new items. As more trading partners use Product Introduction, we can accelerate our time to market, gain greater data accuracy and become even more productive. Product Introduction helps us achieve our high standards."

CONTACT US

Learn how your company can take advantage of the Product Introduction Solution. Contact 1SYNC at +1 866.280.4013, Option 1 or visit www.1SYNC.org.

ABOUT MCLANE COMPANY

McLane is a highly successful $34 billion supply chain services company, providing grocery and foodservice supply chain solutions for thousands of convenience stores, mass merchants, drug stores and military locations, as well as thousands of chain restaurants throughout the United States. With 38 automated distribution centers and one of the nation's largest fleets, McLane optimizes the purchase, flow and sale of products from thousands of suppliers to over 54,000 locations. Every year, the company delivers over 10 billion pounds of merchandise to satisfied customers in every state and county in the U.S. McLane also provides logistics services in Brazil and export to 34 countries around the world. www.mclaneco.com

ABOUT 1SYNC PRODUCT DATA MANAGEMENT SOLUTIONS

1SYNC is dedicated to the implementation of product data management solutions that can reduce costly data errors, increase supply-chain efficiencies, and help companies of all sizes realize value from effective product data management. The 1SYNC Data Pool is the largest data pool in the Global Data Synchronization Network (GDSN) with 50 leading demand-side members and more than 6,000 supply-side members worldwide. 1SYNC can meet the needs of any supply chain partner, industry, region, and Member Organization. 1SYNC is a GS1 US™ Solution Partner. www.1SYNC.org

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