

CUSTOMER CASE STUDY



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Renaud Pauquet, Inventory and Procurement Manager for France



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RAJA



RAJA OPTS FOR FLEXIBILITY, SAFETY AND SCALABILITY OF THE SUPPLY CHAIN WITH QAD DYNASYS

THE COMPANY: RAJA

RAJA was founded in 1954 and is now a European leader for the distribution of packaging

HIGHLIGHTS	
Company	RAJA
Headquarters	Roissy, France
Industry	Distribution and Wholesale
Products	Packaging supplies and equipment
QAD DynaSys Solution	Demand Planning, Procurement Planning

to customers in a wide range of activity sectors (specialized trade, mass distribution, luxury industry, e-commerce, logistics, aeronautics, food etc.). Raja operates in 18 European countries through 21 entities, 11 distribution centers and distributes 120,000 different products to 700,000 customers. The company employs 1,850 persons generating €631 million turnover in 2018.

For more than 60 years, RAJA has made customer service the center point of its excellence, setting priorities for product quality and availability, associated advice, fast delivery, prices guaranteed for 6 months and custom manufacturing. They also offer customers innovative tools like: RAJAPRINT (online customization); E-PROCUREMENT (purchase management); BAGSELECTOR or BOXSELECTOR (online search engine). The company combines care for customer support with the constant pursuit of innovation, as well as with the know-how and expertise of its employees.

THE CHALLENGE: STREAMLINING ITS INFORMATION SYSTEM

To support its growth strategy, RAJA was looking to standardize and streamline their information system. The Department of Information Systems (DIS) chose Microsoft Dynamics AX as their ERP solution. The first phase of the project included the deployment of front office applications. After this, the needs of the different businesses were addressed, including the Supply Chain, one of the lifelines on which RAJA depends. The ERP soon became saturated. The team headed by Renaud Pauquet, Inventory and Procurement Manager for France, started market research, consulting the main market players for Demand & Supply Chain Planning (DSCP).



BENEFITS OF DSCP SOLUTIONS FOR RAJA

REDUCE STOCK COVERAGE

REDUCE STOCK OUT

IMPROVE SERVICE LEVELS 99.3% TO 99.8%

The ERP being used was incapable of managing specific business-dedicated requirements. "We were looking for user-friendly and ergonomic solutions because we were aware of the changes facing the supply chain team in place. But we also wanted solutions offering the widest possible functional coverage, both in-house and externally (software vendor) scalable, making our forecasts secure, enabling us to optimize our inventory management and fully integrated into our existing IS" adds Renaud Pauquet.

Let's take a look at the functional prerequisites of RAJA:

 The structuring processes in place needed a tool that flexible enough to comply with RAJA requirements, and not the other way round

- Sales and forecast analysis reliability needed to take the history and spot events (like promotions) into consideration, right through to the day's bucket
- Change management in a range of 10,000 references, and trend analysis, had to be possible in real time
- Needed rapid management of order minima and multiples, whether it was in terms of quantity, value, volume, or as a quantity of full pallets or trucks
- Required a dashboard to provide each user with access to the key indicators of their activities, in order to set priorities
- Improved customer satisfaction and therefore, stock availability
- Ability to facilitate trade-offs through simulations
 and scenarios
- A way to seamlessly integrate supply chain solutions into the existing ERP.

THE SOLUTION: AN INTEGRATED, FLEXIBLE, SCALABLE AND FAST TO IMPLEMENT, READY TO PLAN SOLUTION

RAJA selected QAD DynaSys and its integrated Demand & Supply Chain Planning (DSCP) solutions: Demand Planning for sales forecasts and procurement planning. "QAD DynaSys was the only software vendor able to commit both to functional coverage that was essential for our needs but above all, to the implementation time. This was crucial to us and for the continued deployment of our overall information system. The QAD DynaSys team only had nine months to do complete a daunting task but were able to accomplish this. Especially thanks to their 'Ready To Plan' preconfigured solutions" explained Pauquet.

"One of the main reasons for selecting demand planning and procurement planning is the decision support tool-oriented design which offers outstanding configuration flexibility. With QAD DynaSys DSCP, we were offered a standard, integrated, flexible and scalable solution that was essential to prevent the recurrence of problems caused by specific developments that were timeconsuming, expensive and inflexible. What is more, ergonomics of solutions, business rules, functional scope, collaborative vision as well as fast implementation and availability of the project team of QAD DynaSys were also weighty advantages."

"We were able to put the old and the new planning system in parallel" states Pauquet. "The transition period has thus been smooth. The reliability of results we saw in terms of demand planning and procurement planning were important for our team. The change was 100% successful, in less than nine months! "



BENEFITS:

"Since we began using the QAD DynaSys DSCP suite, we have achieved significant time savings, not always easy to quantify, but they are definitely there," confirms Pauquet.

Significant benefits RAJA has seen with QAD DynaSys:

- Two QAD DynaSys solutions implemented in nine months
- 15% less stock shortages with a parallel increase of 10% in the number of customer orders
- Stock coverage as a number of days was 13% down: the right stock at the right time
- The service level was up from 99.4% to 99.8% today
- Improved collaboration between the procurement team and the sales team through better forecast reliability.
- Better product life-cycle management; product supersession management; overall forecast improvement with calculations at different levels.
- Order optimization

"Another thing that we appreciate, and this is important, is the everyday satisfaction of the teams who use a more ergonomic, user-friendly and reliable tool. It facilitates collaboration among the departments, and enables us to be more proactive with respect to the sales team. "

RAJA'S SUPPLY CHAIN TODAY

SKUs are calculated every month at two levels: item and family with a 12 month horizon, then subsequently split into daily buckets. "This enables us to keep up with trends in terms of promotion or seasonality. Therefore, we anticipate the fact that we will be able to meet customer lead times according to sales forecasts and business objectives" says Pauquet. "Previously, this information was available only as a hard copy, not always easy to use, but our forecasts were not up to the same reliability level. Now, we have reached the no-paper objective with particularly fine information granularity."

Decisions are optimized using different scenarios in relation to the history and the forecasts. The DSCP solution is able to change and adapt every month a different model, based on information from the field, which allows having dashboards always up-to-date reflecting reality. Indicators that are essential for inventory management are available every morning on demand planner screens and others supply chain stakeholder.

Another benefit of QAD DynaSys solution is to be able to match forecasts with business goals. Demand Planning generate alerts for the team, trends are highlighted and product life cycle is facilitated. Since Demand Planning solution is fully integrated with Procurement Planning, forecast and procurement requirements calculations are handled into the same environment.

> Safety levels are defined essentially according to forecasts accuracy but we can also investigate the impact of a change in the safety level (volume and/or value); we can simulate a several scenarios. We must bear in mind that the inventory represents a financial value for the company, which is why it needs to be calculated very accurately..."

> > Renaud Pauquet, Inventory and Procurement Manager for France

