



CUSTOMER CASE STUDY

JJA



“QAD DynaSys technologically advanced solutions have helped to better the structure of our organization resulting in reducing the risk of errors”

Nicolas de Panafieu,
Supply Chain Manager JJA





JJA STRUCTURE AND OPTIMISE IT'S SUPPLY CHAIN IN THE CLOUD WITH QAD DYNASYS

THE COMPANY: JJA

JJA was founded in 1976 and develops a complete range of products in the home furnishings and decoration sector. JJA is a major European player in the world of distribution

HIGHLIGHTS

Company	JJA
Headquarters	France
Industry	Brand Industry (Distribution & Wholesale)
Products	Home Furnishings and Decoration
QAD DynaSys Solution	Cloud Demand Planning and Procurement Planning

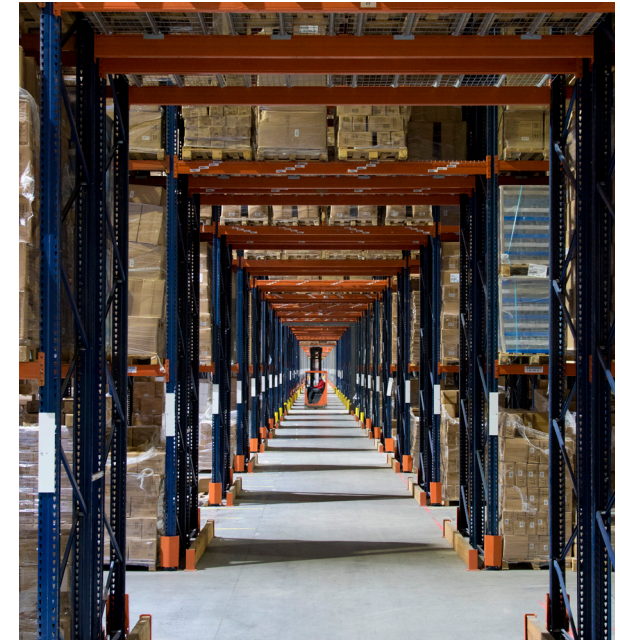


through strong and recognized brands. Its goal is to produce on-trend quality products available with the best value for money.

Over the past 43 years, the SME has become a strong MSB, now managed by the second generation of its founders. The audacity and vision of its beginnings have been preserved by always counting on the backing of strong values: performance, ethics and innovation.

A few figures concerning JJA:

- Projected revenue for 2020: €500 million
- 500 employees operating out of several sites, including the corporate headquarters and showrooms in Blanc-Mesnil, two warehouses in Amiens and Vaux-Le-Penil and an office in Shanghai (China).
- 5 strong brand names: Atmosphaera, Hesperide, 5five, Secret de Gourmet and Fééric,
- 20,000 item references and 40% renewal of the product offering per year,
- 10,000 m2 of showroom area and 185,000 m2 of storage space,
- 780 partners/suppliers worldwide,
- 4,000 customers (hard and soft discounters, supermarket distribution, regional hospitals).



THE CHALLENGE: INVENTORY CONTROL THROUGH ROBUST SALES FORECASTING AND PROCUREMENT PLANNING

“For the last 10 years, we lived a time of exponential growth and we doubled our workforce, requiring us to standardize our methods and our processes, flows and interchanges, whether for sales forecasting or procurement,” explains Nicolas de Panafieu, Supply Chain Manager at JJA.

JJA's strategy is also a promise to ensure optimal stock availability and fast delivery. Doing this means anticipating, managing, organizing, securing and optimizing the Supply Chain. It calls for an S&OP approach based on equally efficient and robust technology.

"Customer deliveries in just 72 hours." This is one of the points that sets JJA apart with a product offering at the best quality/price ratio and always at the cutting edge of the trends. This means having a large stock to ensure optimal availability. Naturally, it's a commercial advantage, but it is also embodies an element of risk. With an annual product range renewal of 40%, inventory control and control over its turnover are essential to ensure an efficient business model that makes products available at the right price. Inventory control means anticipating. To anticipate is to prepare for the future.

"A powerful demand planning solution and a team of 12 demand planners now form the hub for the data exchanged between the Sales Department and the Supply Department, in charge of purchases and product collection. Information travels up and down between the different stakeholders. "It is a classic S&OP approach, which we structure in step with JJA development," adds Nicolas de Panafieu.

THE SOLUTION: QAD DYNASYS PROVIDES A ROBUST, COLLABORATIVE AND INTEGRATED SOLUTION

JJA's Information System was scattered with business tools corresponding to what the various departments needed but not providing full internal

and external collaboration. The company wanted to set the foundations for a more collaborative supply chain. It reviewed its organization and implemented an S&OP (Sales & Operations Planning) approach. This meant finding the solutions that would become the supporting pillars. The choice was made for using Cloud Demand Planning for sales forecasting and Cloud Procurement Planning for supply planning.

"In addition to the functional and business scope of QAD DynaSys' solutions, we wanted to be able to count on the backing of a recognized expert in Demand and Supply Chain Planning during these changes. We wanted a company and a team with a clear vision of our business, our challenges and our goals," explains Nicolas de Panafieu, Supply Chain Manager at JJA.



THE BENEFITS: JUST IN TIME ORDERS

There are obvious improvements after just one year: better product life cycle management, better anticipation of item seasonality and of new trends, creation of a shared database for all the S&OP stakeholders, making for more reliable information which is always up-to-date, and better management of sales peaks in the history.

After setting up Sales and Operations Planning based on a reliable and agile sales forecast, demand planners are executing a procurement plan.

"They are autonomous in fulfilling their orders because QAD DynaSys technologically advanced solutions have helped to better the structure of our organization resulting in reducing the risk of errors," continues De Panafieu. "We all know what can hurt our business at JJA, and in particular that is a slow-moving item, that directly impacts our profitability. We have to make every endeavor to ensure that our orders mirror as accurately and closely as possible the needs of our customers and our requirements as regards lead times. Internal collaboration gives us agility and a longer-term vision, and having streamlined flows provides a significant competitive advantage."

"We began to see benefits almost immediately such as increased inventory turnover, a well-structured procurement plan in terms of "Economic Order Quantity" (the right quantity at the lowest cost), just-in-time securing of purchase orders, dynamic management of safety stocks. We also saw an optimization of interchanges with partners/suppliers who are informed further upstream what our ordering intentions will be, enabling us to further reduce procurement lead times, " adds De Panfieu.

“Over the past 12 months, our sales have continued to grow. We achieved this without having to increase our working capital requirement. It proves that our S&OP approach, backed by our internal organization and the QAD DynaSys solutions, is the right choice and fully addresses JJA’s needs,” concludes Nicolas de Panafieu.

And what about the future? “We are determined to continue in this permanent quest for performance, something that is so important to the company.”

“We now have a clear-cut overall vision of our activity. We can perform predictive and prescriptive analyses as a guide and as a way of anticipating the market and future trends. It gives us more flexibility and efficiency and enables us to make the right decisions,”

Nicolas de Panafieu, Supply Chain Manager JJA

