

# Collaboration through Organizational Alignment

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# Retailer perspective on Collaboration

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Kristen May

# What Do Our Customers Want?

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- ▶ **Right Product**
- ▶ **Right Price**
- ▶ **Right Time**

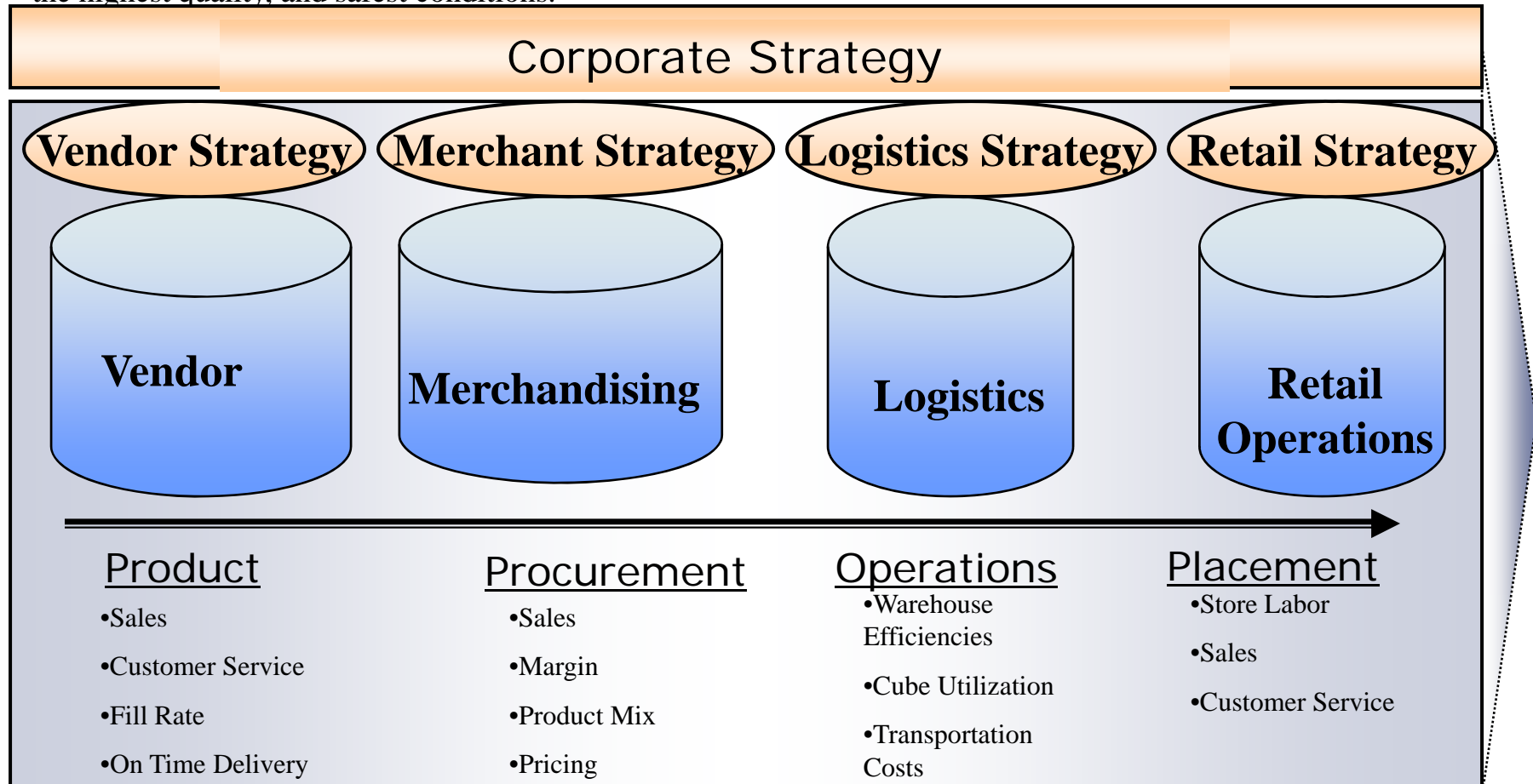
# What Do We Want from Our Suppliers?

- ▶ **Right Product**
- ▶ **Right Price**
- ▶ **Right Time**
- ▶ **Value Added Services**



# Historical Giant Eagle Alignment

**Goal:** Meet requirements of our customers, corporate strategies, and operational strategies at the lowest cost with the highest quality, and safest conditions.



- As planning is done and decisions are made, information is passed on to the next stakeholder in the process
- Decisions and process vary by merchandise type (turn, promo and seasonal), LOB, and operational area
- Each group (Retail, Distribution/Logistics and Merchandising) was responsible for it's own planning, operational management, and execution of processes.

# Future Giant Eagle Alignment

**Goal:** Meet requirements of our customers and corporate strategies at the lowest cost with the highest quality, and safest conditions.



**Corporate Strategy**

**Product / Planning**

**Placement**

**Price**

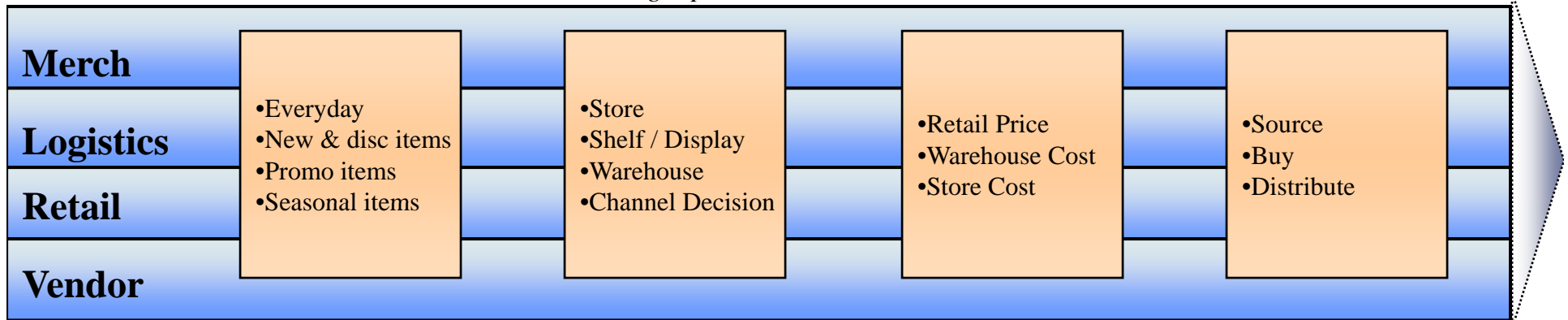
**Procurement**

*Set and manage assortment*

*Allocate and manage space*

*Set and manage price / cost*

*Procure product*



- “Product” planning starts the process, taking other “P’s” into account as decisions are made
- Decisions and process vary by both type (turn, promo and seasonal) and LOB
- Each group (Retail, Distribution/Logistics and Merchandising) has a role in the planning, management and execution of these processes.

# Results of Supply Chain Organizational Alignment

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- ▶ Right Product, Right Place, Right Time
- ▶ Connect the core business stakeholders to a common executable flow design
- ▶ Leverage the strategic alignment to add value to the enterprise
- ▶ Build continuous learning into all aspects of the process
- ▶ Create a sustainable system that fosters improvement
- ▶ Create process ownership across all business partners



# Vendor perspective on Collaboration

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Scott DeCarlo

# What Do Customers Want?

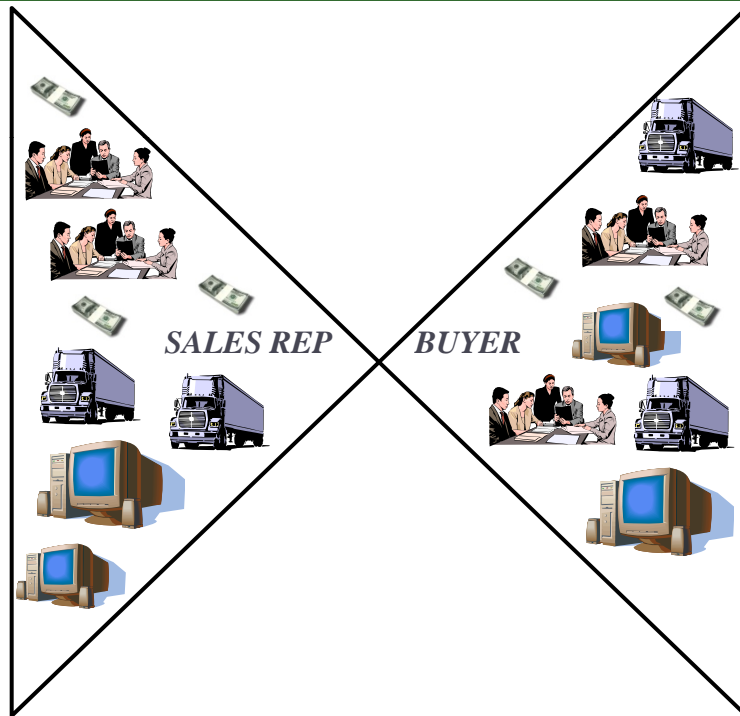
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- ▶ **Get the basics right**
  - ▶ On time in full delivery
  - ▶ Efficient interface
- ▶ **Initiatives to support their SC agenda of:**
  - ▶ Maximize on shelf availability
  - ▶ Cut costs
  - ▶ Reduce stocks
- ▶ **Tailored solutions**

Customers' needs are very similar but...  
every customer is unique,  
and the same customer has different needs in different markets

# Critical Supply Chain Interfaces never look long-term in the typical relationship

## Historical Retailer & Manufacturer Relationship



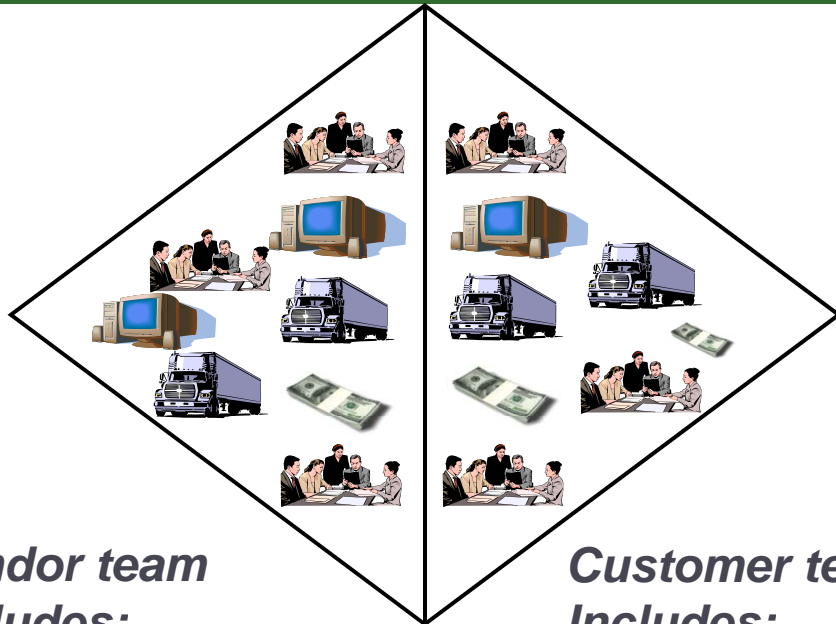
- Communication is limited to the vendor sales representative and retailer store buyers
- Focus is on short term supply chain, buying and selling transactions





# By aligning functionally with the customer, each team member can drive short and long term initiatives

## Collaborative Organizational Alignment



**Vendor team**  
**Includes:**

- Sales
- Customer service
- Finance
- Management systems

**Customer team**  
**Includes:**

- Buyers
- Planning
- Distribution
- Finance

- ▶ Drive Reliable Customer Service
- ▶ Collaborate to improve Customer Demand
- ▶ Execute customer-based growth (events) initiatives
- ▶ Deliver On-Shelf Availability and cost reductions





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