



Building Supply Chain Visibility

JDA Warehouse Management Underpins Supply Chain Improvements at B&Q

In the United Kingdom (UK) and Ireland, B&Q operates 359 stores with more than 40,000 great-value products all under one roof. B&Q is one of the main retail brands under Kingfisher plc, Europe's leading home improvement retail group. B&Q strives to offer everything its customers need to successfully achieve their home improvement and do-it-yourself (DIY) projects. More than three million customers walk through B&Q's doors every week.

Transforming the Logistics Network

To support its retail program, B&Q needed to transform its logistics function, replacing its manual, mainly paper-based legacy systems, which were no longer suitable for a business that serves more than 150 million customers a year. This required a flexible warehouse management solution (WMS) to provide real-time information.

B&Q wanted to ensure a seamless transition of IT functionality across a network that had been established for 15 years, and needed a solution that would provide it with the ability to:

- Manage more than 100,000 stock-keeping units (SKUs) across its sites
- Integrate stock supplied by approximately 600 different vendors
- Improve inventory accuracy with real-time information and clear visibility of orders
- · Manage cross-dock and flow through platforms
- Consolidate and pick stock for each store, which is dispatched daily via 500 trailer loads carrying around 45 pallets of products

As part of a comprehensive, multi-year plan, B&Q first rolled out JDA Warehouse Management, which is part of JDA's Intelligent Fulfillment™ suite, to five regional consolidation centers that each service between 50 and 100 stores. It is now being rolled out to three distribution centers (DCs).

OBJECTIVE

Transform its logistics network by using an automated warehouse solution to increase inventory visibility and improve stock availability at its stores.

SOLUTION

JDA® Warehouse Management

SERVICES

- · JDA Consulting Services
- · JDA Education Services

REAL RESULTS

- Reduced costs across the logistics network due to increased efficiency and productivity
- Improved inventory accuracy with real-time information and clear visibility of orders
- Increased product availability at its stores



By implementing JDA Warehouse Management, B&Q is reducing costs across its network of three DCs and five regional consolidation centers, ensuring high stock accuracy and improving product availability at its UK stores.

"The WMS program is the start of our omni-channel transformation, and JDA WMS will form the key foundation to enable this change," said Jon French, Omni-Channel and WMS Programme Manager, B&Q.

Rolling Out the Solution Across the Network

With JDA Warehouse Management, B&Q has completely eliminated the previous paper-based system, including all vendor paperwork.

The project began in 2008, after B&Q undertook a major review of its supply chain and, with the support of JDA consultants, included six months of process mapping across the consolidation center and DCs. A team of 25 B&Q operatives was recruited to gain a clear understanding of how each site operated and identify potential issues.

By the end of 2008, "strawman" solutions had been examined and during 2009 a "first-build" solution was developed, which was tested at the initial site and successfully implemented within three months. A phased rollout followed across the remaining four consolidation centers, and was completed in January 2012. Each location underwent three months of training prior to go live.

Advanced shipping notification (ASN), covering all pallets for individual stores, has been launched, linking to an Electronic Data Interchange (EDI) solution. A secure Web portal enables vendors to view purchase orders, create ASNs, build pallets and assemble trailer loads efficiently.

In the autumn of 2012, the solution was implemented in the 800,000 square-foot DC in Swindon, and the rich functionality is being successfully used to manage the wide variety of products, across all activities on the site.

The final two DCs will follow in 2013, and at the same time JDA Workforce Management will also be implemented.

Realizing the Benefits of Warehouse Efficiency

Once fully rolled out across B&Q's network, the company anticipates cost savings of approximately €10 million per year, as well as much improved visibility of an accurate stock file in stores. The company also anticipates savings on administration with increased productivity in stores and logistics sites, store inventory accuracy improvements, and that suppliers are now responsible for efficient inbound shipping.

"In a fast-moving and competitive market, ensuring our warehouse operation can efficiently support all our stores is vital," says Dave King, WMS programme business architect, B&Q. "JDA has provided a flexible WMS solution that can cost-effectively manage a wide range of products and deliver improved accuracy with real-time visibility of stock."



