



## CASE STUDY

SPINNAKER  
DELIVERING SUPPLY CHAIN EXCELLENCE

# Distributor Overhauls Supply Chain Planning to Tap Huge Profits

**The Challenge:** A long-time JDA E3 Advanced Replenishment client recognized that to continue to achieve their operational excellence objectives and enable growth, their supply chain planning systems and processes needed to evolve. To make this happen, a strong directive was sent from the executives to chart a course to become the world's preeminent selling, logistics, and data insights company within the wine and spirits industry. The client evaluated numerous supply chain software options and found that for a distribution company of their size and scale seeking advanced supply chain planning analytics, JDA's Demand Planning, Fulfillment, and Order Optimization combined with Steelwedge's S&OP solution provided the robust capabilities required.

In addition to implementing new software, the client realized that transforming their supply chain planning organization and processes required a significant change management effort. Multiple departments, technologies, processes, and cultures would have to be addressed. Rome wasn't built in a day – and this transformation wasn't going to happen overnight. From a process and technology perspective, the initiative impacted nearly every business solution and technical platform in place. The biggest challenge was how to launch these changes while successfully supporting day-to-day operations.

**The Solution:** To get the project started on the right foot, Spinnaker led the effort with the client to define a Strategic Supply Chain Planning Roadmap to guide the transformation. The program was then delivered in four major phases spanning approximately 2 years. Dividing the transformation into manageable Business Releases (BR) made it easier for the organization to adopt the changes and manage risk while allowing the project team to focus on specific and achievable goals.

One major change involved in launching the new processes and solutions was the separation of what had previously been a unified buyer-planner role responsible for forecasting and purchasing into two specialized roles focused on demand planning and replenishment planning. As the roadmap was implemented, Spinnaker delivered training on supply chain concepts, the

new business processes, and the various technologies involved and provided significant on-site adoption support for the planners transitioning into the new roles.

A second major change management consideration involved integrating the new demand and replenishment planning processes supported by JDA with a Steelwedge-enabled S&OP and consensus forecasting process. Beyond the technical challenges to be addressed to keep the systems in sync, the Spinnaker and client teams worked to define business rules and policies for how statistical forecasts are combined with consensus input from various participants.

The implementation also needed to overcome data harmonization and data quality challenges due to the existence of numerous localized, state-level order management systems feeding into the centralized planning system. Spinnaker led an effort to implement a planning data governance initiative to address this issue and with the benefit of centralized data was able to provide some of the first supply chain-wide reporting and KPIs based on the consolidated data.


**The Results:** The initiative demonstrated significant ROI from the onset, with customer fill rate metrics increasing by 5% and inventory capital decreasing by 5%, which equated to over \$100MM. Delivery backlogs were significantly reduced leading to smoother warehouse operations. The scalable solution will also handle the company's expected future growth.

To ensure the continued success of the solution, the client chose to outsource day-to-day technical support of the JDA and Steelwedge systems to Spinnaker, knowing that the knowledge and accountability would be there to keep the systems running at top speed and availability to allow planners to continue to address pressing business needs versus worrying about system problems.

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**About Spinnaker:** Spinnaker is a supply chain services company that helps clients grow, manage risk, reduce costs, and improve customer service by developing world-class supply chain capabilities. Our services help clients develop the right supply chain strategy for their business challenges and implement the process and technology solutions to improve Demand/Supply Planning, Procurement and Sourcing, Logistics and Warehousing, and Reverse Logistics business performance. Spinnaker offers a unique service delivery model that combines the strength of deeply experienced management and technology consultants with a seasoned team of business process outsourcing (BPO) and 3rd-party logistics (3PL) professionals. Founded in 2002, Spinnaker has offices in Boston, Columbus, Denver, Houston, Memphis, Pittsburgh, London, and Singapore.

#### Contact Us:

 Phone: 877-476-0576

 Email: [info@spinnakermgmt.com](mailto:info@spinnakermgmt.com)