

Whitepaper

Collaborative Replenishment - VMI's Next Step:

Increase Sales, Reduce Inventory, and Improve Customer Service



INTRODUCTION

Vendor Managed Inventory (VMI) was one of the first collaborative supply chain efforts between suppliers and sellers. It brought the idea of suppliers suggesting orders for its partners - an idea unheard of at the time.

Technological advancements and the natural evolution of the supply chain have created more opportunities to leverage large data sets and powerful algorithms to do more than create order recommendations. Thus, VMI is shifting to something else, something better. That something is collaborative replenishment.

MORE CONNECTED

The most effective collaborative replenishment solution available today, TrueCommerce Datalliance makes it easy to implement and improve your supply chain. Since it is a service, not a software product you install and maintain, it requires no additional information technology staff or equipment. And, with roughly 40 years of experience helping companies employ supply chain solutions, TrueCommerce Datalliance has the resources to get you up and running in just weeks - ensuring the shortest route to better supply chain results by combining the latest technologies, a structured implementation methodology, and professional expertise.

TrueCommerce Datalliance delivers a full range of supply chain replenishment capabilities, is highly effective for virtually any product mix, and scalable to any number of locations. With TrueCommerce Datalliance, you and your trading partners will increase profits by effectively managing inventory.

Let us show you why TrueCommerce Datalliance is the best.



Implementing the TrueCommerce Datalliance service was a breeze compared to systems projects where we had to install and set up everything ourselves. TrueCommerce Datalliance's solution is enhanced several times a year with no effort or disruption on our part at all."

TrueCommerce
Datalliance Customer

BUSINESS BENEFITS OF COLLABORATIVE REPLENISHMENT

Collaborative replenishment is a streamlined approach to inventory and order fulfillment because it changes the traditional inventory replenishment process.

Instead of retail partners electronically submitting a traditional purchase order, they send their store level and/or distribution center-based demand, inventory levels, promotion forecast, and other applicable data. A supplier then combines this information with its internal data points to recommend which and how many products to ship. The result is increased information flow between trading partners, resulting in more accurate orders.

ADVANCED REPLENISHMENT MODELS

TrueCommerce Datalliance supports the many replenishment requirements necessary to service the consumer goods industry today:

Distribution Center: Drives order creation using a traditional replenishment process with DC based product activity information.

Store Level / Distribution Center: Leverages store order quantities or store based forecasting to drive replenishment to the supporting distribution center.

Direct to Store: Supports store level replenishment incorporating assortment logic, along with maintaining perpetual inventory levels. Compatible with Scan Based Trading (SBT) VMI partner relationships.

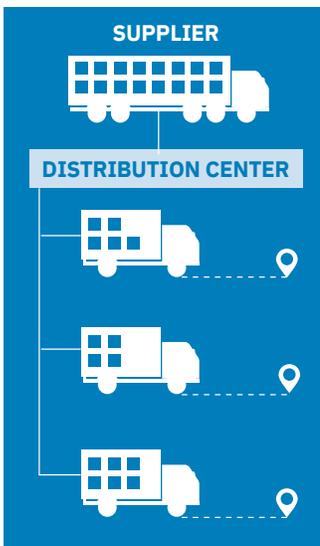
Multi-Stop: Furthers transportation efficiencies with the ability to build and optimize orders across store and distribution center combinations.

Cross Dock: Accommodates unique retail requirements by creating store level orders with shipment optimization via a cross dock distribution center.

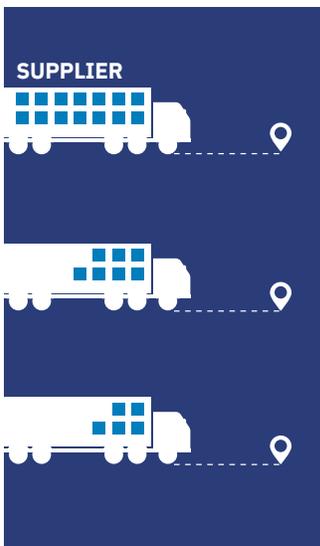
BENEFITS INCLUDE:

- Increased turns, which reduces working capital requirements
- Lower transportation costs
- Fewer returns and order touches
- Improved business relationships
- Fewer out-of-stocks
- Increased sales

DISTRIBUTION CENTER



DIRECT TO STORE



MULTI-STOP



CROSS DOCK



YOUR COMPREHENSIVE SOLUTION

TrueCommerce Datalliance is a fully operational system designed to accelerate the delivery of business results with well-defined tools and expert assistance.

The **Implementation Team** is composed of experienced professionals that apply their extensive knowledge from years of project management expertise.

The **Implementation Process** is a proven, documented methodology that ensures fast, efficient implementation. And, we help verify data before your supply chain program goes live.

Configurable Application Features make it easy to tailor the system to your specific needs without special programming or lengthy modifications.

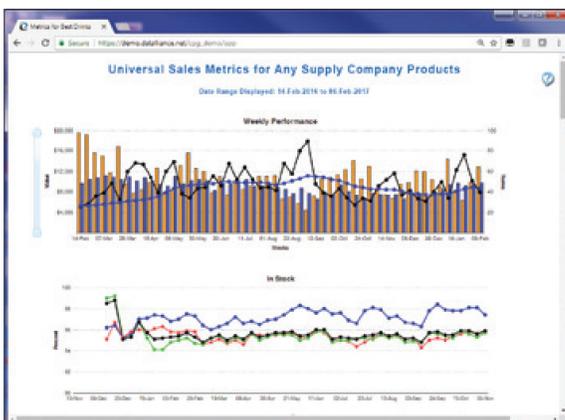
Comprehensive Supply Chain Funtionality

TrueCommerce Datalliance's advanced capabilities support the unique requirements of a supply chain relationship and provide superior inventory management logic.

Customer Data Acquisition, Translation, and Verification simplifies and automates the complex task of getting timely and accurate product activity from each customer location.

Replenishment Order Generation and Transmission accelerates your responsiveness by automatically generating demand-driven orders for your customers' systems in the desired format.

Activity and Analysis Reporting tells you where you are, where you have been, and how you got there through graphic representations of your inventory information.



**Customer Care
has been the best
customer service
experience I've ever
had, personally or
professionally."**

TrueCommerce
Datalliance Customer

PREPARED FOR WHAT'S NEXT

TrueCommerce Datalliance combines sophisticated inventory management capabilities with advanced application design principles to deliver a solution that is both powerful and user-friendly.

Data Filtering and Reasonableness Checks throughout the system are based on an exception-driven approach. Users are alerted to potential problems without wading through long, complicated reports.

Sophisticated Order Point and Order Quantity Calculations handle products with any combination of order frequency, rate of sale, and price point to ensure you always have the right product, at the right place, at the right time.

Data Transparency and Web-based Access provide you and your customers with the information needed for truly collaborative supply chain management.

RELIABLE DAILY OPERATIONS

TrueCommerce Datalliance is an inventory management solution you and your customers can rely on day in, day out. TrueCommerce Datalliance combines secure computer operations with professional system management and responsive user support.

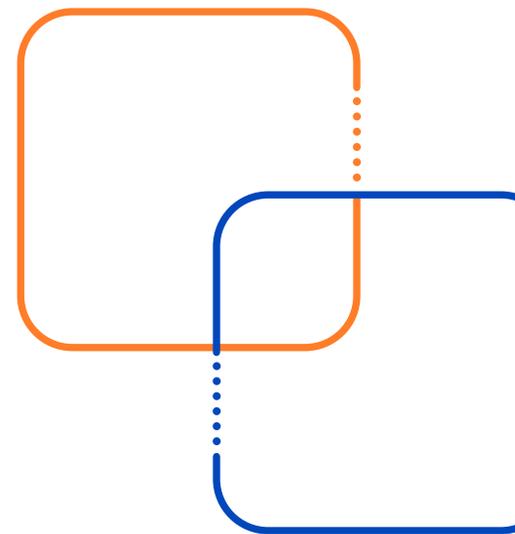
The **High Availability** systems environment is designed for mission critical, large-scale applications.

Data Feed Monitoring greatly reduces any potential delay due to data transmission problems by promptly notifying both parties when expected information is not received.

The **TrueCommerce Datalliance Customer Care Line** provides ready access to experienced, knowledgeable, support personnel via phone, fax, and email.

PO Number	PO Supplier Name	Order Date	Order Value	Order Status	Delivery From	Delivery To
1000000	CHEL	17-Aug-10	\$7,362.40	Delivered	18-Aug-10	

Order ID	Supplier WFO	Description	Qty Ordered	Qty UOM	Qty Request	Qty Received	Extend. Unit	Comments	PO Act'd	Priority Flag	Status
CHEL 22919	1210001248	FRUITLY ORIGINAL SMOG	215	CS	215	215	\$2,889.25		N	N	Closed
CHEL 22962	1210001247	FRUITLY ORIGINAL SMOG	198	CS	198	198	\$1,279.93		N/A	N	Closed
CHEL 48835	1210000828	FRUITLY ORIGINAL SMOG	180	CS	180	180	\$1,509.99		N/A	N	Closed
CHEL 66876	1210001667	FRUITLY ORIGINAL SMOG	90	CS	90	90	\$503.23		N/A	N	Closed
CHEL 68800	1210001810	FRUITLY ORIGINAL SMOG	80	CS	80	80	\$1,022.03		N/A	N	Closed



Call us today at **888.430.4489** or visit www.truecommerce.com
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About TrueCommerce

TrueCommerce is a high-performing global supply chain network that provides fully integrated, end-to-end supplychain visibility and management. We help businesses reach their true supply chain potential. That's why thousands of companies—from SMBs to the global Fortune 100, across various industries—rely on us.