

By Richard Lugo

Go to the Head of the Class

Educational materials company gives supply chain software an "A"

The Carson-Dellosa Publishing Company Inc., located in Greensboro, North Carolina, specializes in classroom materials that "educate, motivate, and decorate." Our products are appropriate for children in prekindergarten through 8th grade and beyond. Established in 1976, the company provides top-notch educational materials to help children learn about and explore their world.

Today, we have expanded our production to include a variety of educational materials. Some of our product lines include fabric charts, bulletin boards, reproducible activity books, borders, clip art, pattern books, teacher resource books, novel notes, note pads, videos, floor puzzles, and more. Many of our educational materials are available in Spanish, English, and other languages, resulting in a large number of inventory units to track, maintain, and ship.

A few years ago, company leaders realized we needed to find a tool to help us manage our forecasting and inventory planning. Our mostly manual process could no longer handle our products.

Selection process

We first noticed the Supply Chain Planning (SCP) software created by Jada Management Systems because one of our largest suppliers used the same program. One of my contacts at the supplier showed me how he works with the program, and I noticed how easy to use and highly customizable it was.

A few months later, I noticed the Jada booth at an exposition, and I stopped by for a more detailed inspection. Compared to other products I evaluated, SCP had all the capabilities we needed but with much less complexity and a lower price.

We liked that Jada offered a personalized demo of the SCP software. I sent some of the company's data to them, and, a week later, they demonstrated the product to me using the data. Jada representatives showed us how we could achieve increased turns, lower inventory, and improved customer service. The company leaders were sold.

Program functionality

The SCP system helps us with forecasting and inventory planning. The software starts by automatically synchronizing with our enterprise resources planning (ERP) system around 5:00 a.m. every morning. The software loads lead times, lot sizes, and safety stock levels for our approximately 17,000 stockkeeping units.

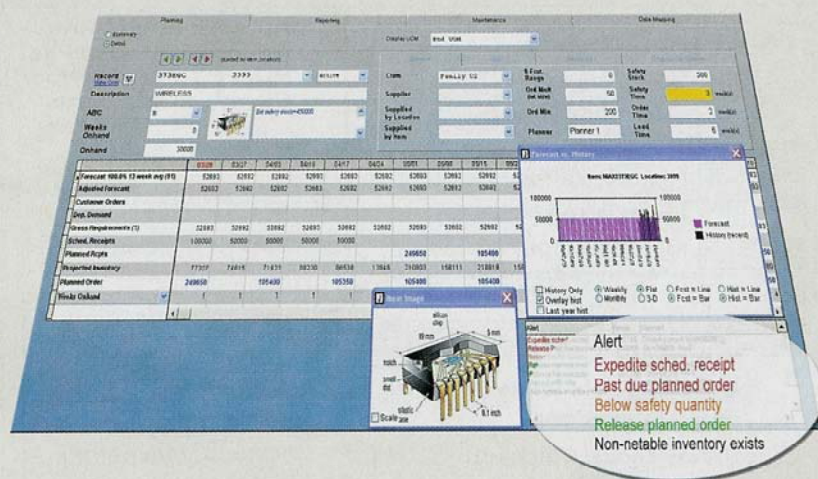
The early-morning synchronization process enables decision makers

to review important information as soon as they come to work. The system provides key reports that recommend what should be purchased from our suppliers; how many kits need to be put together; and whether there are any stockouts, excess orders, or exceptions that require attention.

Additionally, the software produces very informative reports that show current inventory standing, current inventory turns, and projected inventory turns. The solution provides to-date excess dollars and inventory weeks-on-hand numbers. It can identify our fastest-moving items and our slow movers and then set the appropriate safety and order-time levels using ABC analysis.

In less than one year, our stockouts are down, our inventory has been reduced by \$2 million, and we've

Figure 1 Forecasting and planning



The Supply Chain Planning system recommends what should be purchased from suppliers; what needs to be built or put together; and whether there are any stockouts, excess orders, or exceptions that require attention.

improved customer service. Now, our planners have the information they need on one screen, and they are able to make informed decisions.

We realized a return on investment in about five months. Our president has been very pleased with the ongoing savings and operations streamlining. He even suggested I introduce SCP to a couple of our primary suppliers to help strengthen our supply chain.

Installation and support

Jada integrated its SCP solution with our existing systems in a matter of days. We are running SCP on our local area network for multi-user access. Initial training took three days and included logistics basics as well as software-specific functionality.

Once the system was set up, the planners only had to worry about two sections of the software—the main planning screen and reporting. Our information technology staff members were trained in more detail about the product's maintenance requirements, which turned out to be very minimal because the software automatically maintains itself on a preset frequency.

We had Jada representatives come to our site to carry out the implementation, with the understanding that future upgrades or maintenance can be done remotely in order to keep costs down. Carson-Dellosa leaders thought it was imperative to have Jada on site initially in order for everyone to understand and verify our supply chain model and data. To ensure all planners understand the tool, I also wanted on-site training. The entire training and implementation process took only two weeks.

One element that greatly expedited integration was a Jada tool called "data mapping." This tool, built right into the software, made SCP highly compatible with our existing ERP system. The data mapping tool handles everything from automatically retrieving e-mail attachments to accessing open database connectivity compliant data sources using structured query language (SQL) commands.

The best part is any SQL commands or custom code are stored and maintained within the solution, so there's no external application that needs to run. We never have to wonder where

Product Summary

PRODUCT NAME:

Supply Chain Planning (SCP) 4.0

TYPE OF PROGRAM:

Advanced planning and vendor-managed inventory system

SOFTWARE VENDOR:

Jada Management Systems LLC
19775 Derby Street
West Linn, Oregon 97068
Phone: (503) 744-0710
Web site: www.jadaman.com

RECOMMENDED OPERATING ENVIRONMENT:

Windows XP, Server 2003,
2000, NT

the latest source code is. It's always right there for anyone with the proper access rights.

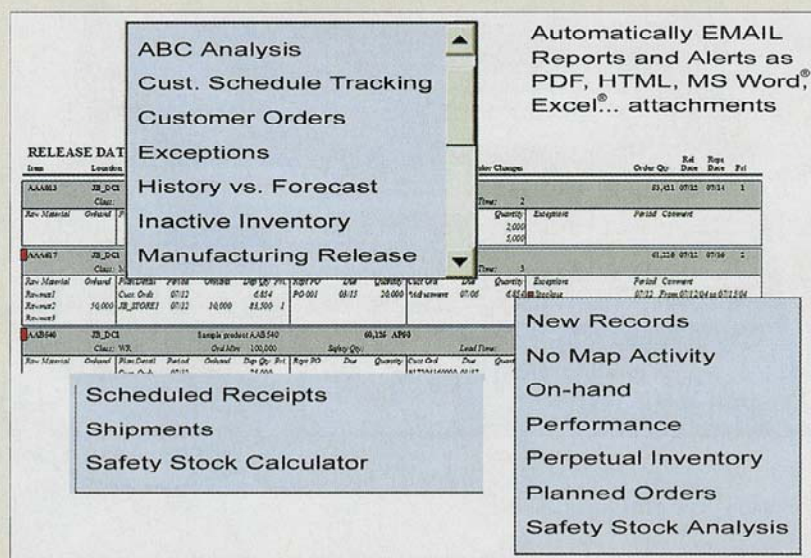
Ease of use

The interface is very user-friendly. There are only four tabs in the solution, and planners regularly deal with only two of them. Also, the information on screens and reports is color coded for easy reference, and drill-down capabilities give us detailed visibility over all item data. Navigating through records is easy because of the next action-item feature, which tells the system to find the next item with a specific alert. There also is a multirecord view with the same capabilities. After a few days of applying what we learned during training, it was easy to get what we needed out of SCP.

Best features

My first impression and what held my attention was the ability to see all my planning requirements on the main screen. I am able to get an accurate picture of our activity with

Figure 2 Analysis reports



On one screen, planners can see the information they need and make informed decisions.

Vendor Comments

Jada Management Systems helps manufacturers and distributors manage their supply chain and vendor-managed inventory initiatives with Supply Chain Planning (SCP). SCP is an advanced planning and vendor-managed inventory (VMI) tool that recommends what to make (or order), when to make it, and how much to make in order to meet current and future demand. It helps maintain but not exceed desirable inventory levels.

Jada provides an effective tool that addresses three areas of difficulty experienced by most manufacturers and distributors: cost, implementation time, and ease of use. In today's economy, companies look for quick returns on investment from their business tools. To this end, Jada offers clients a number of options to ensure SCP is a good fit.

SCP 4.0 enables forecasting and planning for recommended replenishments and visibility over the company's supply chain. Highly manage-by-exception based, the SCP system manages thousands of finished goods and raw materials over multiple tiers or levels accurately and easily. In addition, the solution's Constraint Control Center factors resource constraints, raw material availability, and minimum run requirements for manufacturing or distribution needs. SCP Optimized Scheduling provides attribute and rule-based optimized job sequencing capabilities.

SCP also paves the way for quickly establishing VMI relationships. It offers a great planning engine coupled with one of the world's best integration applications.

Lastly, SCP provides succinct reports to properly monitor and review supply chain status and requirements. Performance, analysis, and day-to-day reports can be exported into many formats, automatically e-mailed, or posted to a Web site—an effective, low-cost option for sharing data with suppliers and clients. SCP reports can even track customer forecast and schedule changes for monitoring VMI relationships.

one glance, and I can review the exception reports to see which items need to be addressed. This enables me to focus on the areas that need it, without wasting time reviewing processes that are working well. SCP gives us visibility and control, but it still is easy to run.


I also am impressed by the high level of automation. The automatic status e-mail I get every day gives me invaluable information and enables me to effectively forecast and manage our inventory.

Shortcomings

One thing I would like to see in the program is the addition of an executive summary or dashboard with some sort of drill-down capability. I would like to log in and see immediately our current situation and the details. Right now, the reports

handle most of this information, but I still have to run them or have them e-mailed to me.

Overall evaluation

When Jada representatives told us they could implement their system in two weeks, we were skeptical. When they told us we would spend around \$45,000 but save more than \$1 million in a few months, we were really skeptical. When they followed through with both of their promises, we were impressed. We think SCP is a great product. It addresses all of our pain points surrounding supply chain planning projects, while end users and managers find it easy to use. 

Richard Lugo is vice president of operations at Carson-Dellosa Publishing Company. He has worked for Polo Ralph Lauren, Four Seasons Apparel, and Galey & Lord.

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