Integration in practice: Unilever and Van Genechten Packaging

Bart Drelichowski (Unilever)

Unilever e4US project

- Started 2000

- Goal: Improve the efficiency and effectiveness of material supply operations

- Scope: VMI with Unilever Foods Europe strategic suppliers

- e4US website for low threshold startup

- Automate only VMI process

- Align with international processes / standards

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e4US process and messages

Unilever (customer)   **VGP (supplier)**

Gross Requirements   ———▶   *update production plan*
Available Stocks   ———▶   *update delivery forecast*

check/confirm delivery forecast   ◀———   Delivery Forecast

book goods   ◀———   Despatch Advice
Receipt confirmation   ———▶   *update in-transit*

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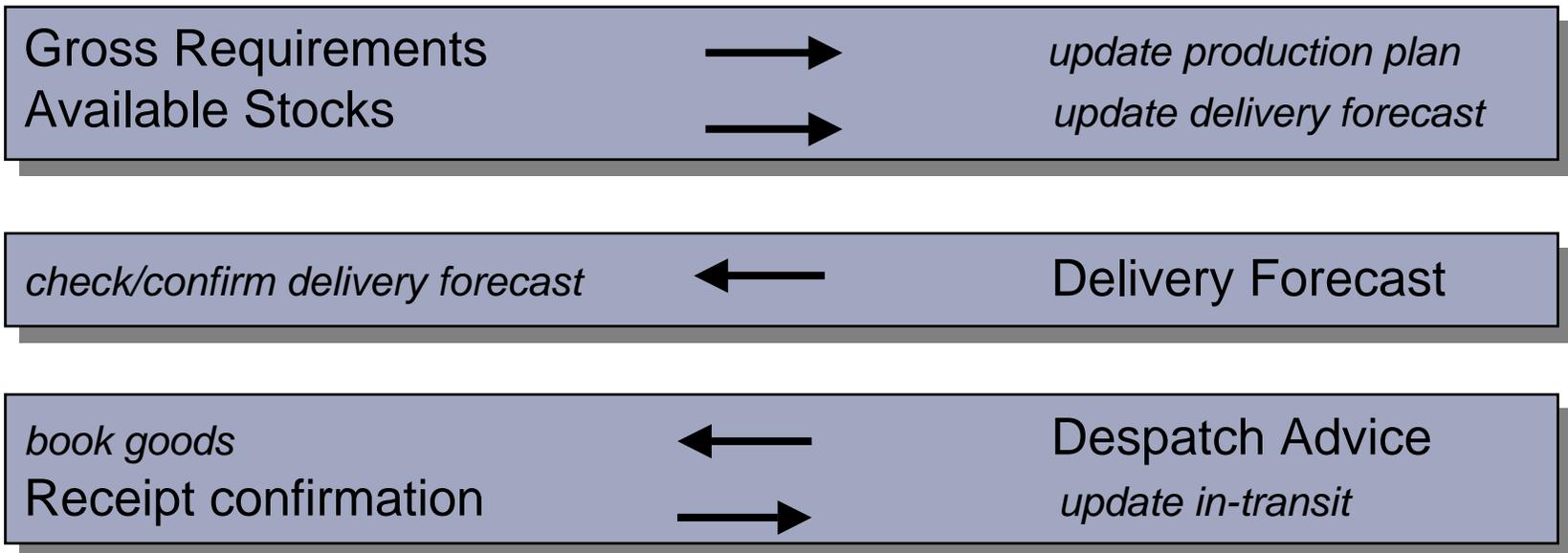
e4US status Unilever

- 370+ suppliers on e4US website (also non-European regions)

- 40+ suppliers on message transfer of which 31 on automated VMI

  - 20+ suppliers in development/test process

- 130+ supply relations on automated VMI

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Benefits Unilever

- Improved service levels (reliability, flexibility)

- Optimized stock keeping

- Increased planning efficiency

- Material cost reductions

- European aligned process

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e4US with VGP

- Automated VMI project started April 2001

- Using EDIFACT D96A message standard

- First automated relation with Lipton Brussels went live Jan 2002

- Current status:

    - 5 relations on automated VMI

    - 3 relations on 'free to produce'

    - 3 relations in start-up phase

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Status VGP in 'VMI/EDI'

- First EDI project with Philips in early 90's

- Since 2000 increased interest from customers

- Focus from VGP on Supply Chain Integration

  – VG Link®

- Current status

  – 6 customers

  – 23 relationships

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Benefits VGP

- Tighter customer relationships
- Transparency in planning processes
- Business Rules = clear agreements
- Increased service level
    - OTIF / Obsoletes
- Administration
    - better structured
    - uniformity
- Planning efficiency (stability)
- Truck optimisation

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Key learnings

- Trust

- Change management of planner roles

- Invest in good business rules

- Clear technical specifications

- Stable and robust systems

- Start with 'easy' relationships

- Use international processes and standards

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