



Data Synchronization Road show

A Warehouse Perspective
John Danks & Son



Data Sync Roadshow

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 - John Danks & Son
 - National Vendor Relations Manager-Melbourne
 - 36 Years Service
 - Logistics Background
 - Chairperson N&BC Group GS1
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GS1 & HGAG

Why did Danks join into the HGAG

- Barcoding accuracy
 - Data Sync
 - Ecommerce
 - All @ "Global Industry Standard"
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Data Synchronization



Data Sync Roadshow

- Why “Data Synchronization”?
 - What are the real costs?
 - What is in it for us?
 - What is in it for you?
 - What will we use the Data for?
 - When will we start to take Data?
 - What if we do nothing?
 - How and when can I start ?
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Why are we doing Data Sync?

- ❑ We have an item file of 25,000+ SKU in warehouses x 5 different sites
 - ❑ We have over 500 Vendors
 - ❑ To have Global Standard based, validated, accurate Data
 - ❑ We use Data for Buying, Selling, Receiving, Slotting, stocktaking and various other uses
 - ❑ We have over 2,500 + customers who download this data
 - ❑ We continuously have claims every month
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Answer is very simple

- How would YOU maintain 25,000 + SKU's in 3 different states over 5 site with 350 vendors, most of which don't understand the importance of the need for accurate DATA
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What's Bad data Cost

- ❑ What Does incorrect Data cost the Industry at the moment?
 - ❑ Average person = \$80,000 per year
 - ❑ 52 x 40 hr per week = \$38.00 per hour.
 - ❑ Average Claim Time = 3 hours
 - ❑ Average claim cost = **\$114.00**
 - ❑ Some are less but some are more
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Time to Raise a Claim

- Storeman's time to raise
 - Accounts to process claim
 - Your accounts to process claim at your end
 - They pass it on to someone to check out
 - They deny it, account come back to my accounts who refer it to our DC managers
 - They send Johnny to check stock but he doesn't find it
 - They go back to accounts to say no
 - Your accounts spend more time and come to me
 - I ask for someone to check or do it my self
 - I find it and reverse claim
 - Notify your person of reversal
 - My accounts do a reversal and pay on next cheque.
 - This is if we are lucky and find it!**
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Time to Raise a Claim

This is not including

- Pick & repack
 - Re-delivery
 - Loss of sales due to stock outs
 - Telephone time & cost
 - Revenue tied up for months whilst claim is being processed
 - Cost of actual credit in the end
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What does Bad Data Cost

- Danks have average of 300 claims per month within 5 DC's and drop shipments.

The Causes?

- Pricing
 - Shortages
 - Damaged products
 - Incorrect product
 - Non Barcoded product
 - Incorrectly received
 - Return product
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Total Industry Cost

What does the industry's cost add up to ?

- 300 claims per month @ \$114 x 12 months
 - **\$410,400.00**
 - x 3 Main retailers
 - What is it REALLY costing the whole industry?
 - I would suggest in excess of \$2m
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What's in it for Danks

- Improved Supply Chain efficiency
 - Better Service Levels, more sales
 - Less Claims management
 - Less re-pick, cost saving
 - Less Space requirements
 - Less Stock discrepancies
 - Less Handling, less product damage
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What's in it for YOU?

- Less Labour cost in Picking
 - Less Transport costs
 - Less Damages
 - Less Claims management
 - Quicker payment through better processing
 - Better Service Levels in turn More Sales
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Dulux Deliveries Pre Data Sync

We did not have accurate carton, pallet & pallet layer qty's in our system causing -

- ❑ Replenishing took up 2 to 3 days to complete
 - ❑ Mixed Cartons
 - ❑ Mixed Pallets
 - ❑ Multiple Claims for wrong/ short sent
 - ❑ Re ordering before last order putaway
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Dulux Delivery after Data Sync

- ❑ All deliveries put away within 2 hours-permanent delivery day
- ❑ Less replenishment by expanding pick slot
- ❑ Less "Claims"
- ❑ Better stock accuracy
- ❑ Increase service levels, current Melb Dulux 98.55%, Selley's 98.75%





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Why do we need accurate Data?

- Our Buy Qty's
 - Forecasting
 - Our Sell Min's & pricing to our customers
 - Slotting & OH&S purposes
 - Stocktaking purposes
 - Our Customers for on selling purposes
 - Government Acts DGoods, Haz, Poisons etc
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When will the Danks be able to take Data Sync?

- Danks will start taking Data from Warehouse Based Vendors as of March 2010
 - We are ready, come talk to me
 - We plan to talk largest to smallest suppliers based on a SKU through put
 - But will be happy to talk with anyone as they come along
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Recent Audits on Barcodes & Data

At the Danks Warehouse in Braeside we did an Audit, here is a summary of the results:

- 2 hours time slot
 - 48 vendors were checked
 - 20 Barcode problems
 - 11 Data Sync Problems
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What if I do nothing?

- ❑ You will start receiving on a regular bases a spreadsheet from Danks requesting you update your Data
 - ❑ You will still have to do "New Product Forms" as we currently do, this process will go behind suppliers that feed us electronically
 - ❑ You will still have wrong purchase qty's, resulting in repack labour in your DC's
 - ❑ Human intervention for receiving processes at DC's which cause unnecessary claims & hold up payments (How much does a claim cost you?)
 - ❑ Slower receiving's through DC's thus effecting service levels hence reflecting in sales
 - ❑ I ask you this question.....
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“ Can you afford not to do Data Sync, continue doing the same old, same old, and give your competitors the upper edge in today's market? ”

I think “NOT”



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Where do I go from here?

- Simply talk to GS1 staff
- Learn about Data Sync
- Talk to your retailers
- Ensure you have allocated barcodes to all levels of packaging and are labelling each level
- Understand your current Data process
- Understand yours & our requirements



Thank You
