



Collaboration Comes of Age

Monday, March 17, 2003

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Speaker after speaker at Logicon, the recent supply chain and logistics conference, touted the virtues of collaboration. The main conference takeaway: Collaboration reduces costs across the supply chain. The vision of 9-Step Collaborative Planning, Forecasting, and Replenishment (CPFR) is being replaced by targeted partnerships between suppliers and retailers. These collaborative efforts are fueled by the realization that there is more to be gained from working together than from maintaining the traditional adversarial relationships. Collaborative forecasting and data synchronization is the focus (especially in Grocery and Consumer Packaged Goods [CPG]). These initiatives allow retailers and suppliers to work together without showing all their cards of actual sales and order backlog. At the end of the day, the winner is the customer, who gets what she wants, when she wants it, for a price she is willing to pay.

Software is available to facilitate these efforts, with **Logility**, **Prescient**, **Manugistics**, and others demonstrating mature demand forecasting and replenishment applications with recent success stories to back them up. Applications providing visibility across the supply chain also took center stage as **New Generation Computing** (NGC) demonstrated modules that allow brand managers to track progress of inbound shipments. Apparel brand managers are gaining significant benefit from NGC's software (which is also white labeled as part of Logility's suite of applications). **SmartOps**, with an application that is strong in CPG but has yet to make an appearance in Retail, demonstrated its Lead Time Optimization (LTO) application. These new-generation applications are Web-based, making deployment in foreign offices painless and training simple.

A final note: During the conference I had the opportunity to moderate a panel on collaboration between brand managers and Third-Party Logistics (3PL) providers. A government official was on the panel, and he indicated that in our current unstable political environment, long-term relationships between logistics providers and brand managers might facilitate movement of product through customs. Even in the domain of over-the-sea transportation, collaboration is a win.