



Somerfield choose RedSky IT to speed up private label strategy delivery

Responding to challenging market conditions Somerfield, decided to review their supply chain process and sought to improve supply chain collaboration. They approached RedSky IT to assist them in overcoming some difficult issues they were facing.

Challenges

The introduction of a Kwik Save own label range built on the success of the Somerfield brand and was anticipated to yield annual sales of over £100m in less than four months. Sustaining business growth and performance required changes within the product development processes and their relationships with their supplier community.

Associate Director for Quality Assurance, Stephen Ridge, advises "We believe that our aim to deliver higher quality – both in our stores and in food execution – better value and improved choice for customers, is best facilitated by improving our current new product development systems. We needed to find ways of removing the constraints encountered, namely speed to market for new products, which is currently too slow, increasing volume without increasing overheads and improving visibility across the new product development process making it easier to spot and eliminate bottlenecks and repeat successful processes."

Somerfield



Somerfield planned to do this by removing and replacing their paper-based systems with an integrated solution from RedSky IT which had already proven capable of meeting similar objectives defined by other retailers.

Somerfield SKSPP

The first phase, implemented in 2004 was the adoption of the Creations Supplier Collaboration Portal to create the Somerfield branded SKSPP website (Somerfield & Kwik Save Product Portal). The portal has been designed to enable Somerfield and their 350 suppliers to operate in an environment where they can collaboratively manage critical product documents such as product specifications, pack copy artwork, codes of practice and information to help handle product scares by passing information to other third parties such as artwork houses.

Accessed via a secure customised website, suppliers provide information in a pre-defined format as products are developed and updated. This information is then automatically validated and checked before final submission for approval to populate the Creations Product Management database removing duplicate data entry.

Implementation of the first phase took four months, which included registering all suppliers in the new portal, training all users and getting existing specifications up-to-date.

Product Development Life Cycle

Somerfield has plans to significantly increase its current private label range of approximately 6500 lines and envisages that once fully implemented the system will reduce the entire NPD process to under 19 weeks for most items, generating revenues much earlier for both Somerfield and Somerfield's suppliers.

Somerfield's implementation has focused on hitting the high priority areas first and building a sound foundation for further phases of the implementation. Since SKSPP is now established, this will allow Somerfield to collaborate with suppliers at every stage of the roll out as Somerfield deploys the remaining elements of the Creations suite of products. This project should be completed in 2005. The achievements with SKSPP represent a significant change in business processes and a more efficient method for successfully bringing products to market quicker. By implementing the full RedSky IT Creations suite Somerfield are looking forward to enjoying further benefits, such as being able to manage customer issues more effectively and respond to due diligence challenges.