Integration in practice: Unilever and Van Genechten Packaging

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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
### e4US process and messages

<table>
<thead>
<tr>
<th>Unilever (customer)</th>
<th>VGP (supplier)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gross Requirements</strong></td>
<td>update production plan</td>
</tr>
<tr>
<td><strong>Available Stocks</strong></td>
<td>update delivery forecast</td>
</tr>
<tr>
<td><strong>check/confirm delivery forecast</strong></td>
<td>Delivery Forecast</td>
</tr>
<tr>
<td><strong>book goods</strong></td>
<td>Despatch Advice</td>
</tr>
<tr>
<td><strong>Receipt confirmation</strong></td>
<td>update in-transit</td>
</tr>
</tbody>
</table>
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
Benefits Unilever

- Improved service levels (reliability, flexibility)
- Optimized stock keeping
- Increased planning efficiency
- Material cost reductions
- European aligned process
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
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
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
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