

"Thanks to Manhattan Associates' supply chain optimisation solutions we are able to keep our promise: 'passion for food and passion for service.'"

Tom Berk, Supply Chain Development Manager
Deli XL



Distribution centres: 16 – the Netherlands

Manhattan solutions:

Warehouse Management, Slotting Optimisation,
Supply Chain Intelligence

Challenge:

Changing market conditions and continued business growth were exposing the limitations of Deli XL's incumbent supply chain systems infrastructure.

Solution:

Implementation of Manhattan Associates' supply chain solutions to optimise Deli XL's distribution network and support its future supply chain needs.

Results:

Enhanced levels of agility enable Deli XL to compete within an ever-changing business environment.

Deli XL optimises supply chain with Manhattan SCOPE® solution portfolio

Manhattan
Deli XL
is a Supply Chain
Leader
Associates

Dutch foodservice wholesaler Deli XL is implementing Manhattan Associates' supply chain solutions in all of its 16 warehouses in the Netherlands to make its distribution network future-proof and improve operational efficiency within and between its DCs.

Deli XL offers a broad range of food and beverage products and non-food products to companies and institutions in the hotel and catering industry and in healthcare. Across all of its activities, Deli XL maintains a key focus on the environment, sustainability, health, hospitality, supply chain responsibility and a passion for food and service.

Deli XL has a national distribution centre (NDC) for ambient goods and a separate, temperature-controlled DC for chilled products. Furthermore, the company has four regional DCs, located across the country, and ten small satellite DCs to support local customers. The Dutch foodservice wholesaler offers a broad assortment of 60,000 SKUs to customers throughout the Netherlands. It has approximately 2,000 employees and a fleet of 350 trucks which are out on the road every day delivering food and beverage products to the group's customers.

The market in which Deli XL operates is changing rapidly. Margins are small and lead times are short. To cope with changing market conditions and predicted future business growth, Deli XL needed a flexible, scalable supply chain management solutions platform. Until now, Deli XL had relied on several heavily customised warehouse management solutions to support its DCs. With these solutions, Deli XL had become restricted in the way it was operating and decided to start looking for a new range of distribution management solutions to help the company realise its growth ambitions.

Changing market conditions

"Decreasing margins and very short lead times mean we have to execute our operations absolutely perfectly. Our products have to be delivered at the right place at the right time. In order to cope with current and future market



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requirements, we had to change our processes and operations," says Tom Berk, supply chain development manager at Deli XL. "We have completely changed the mind-set of our organisation—from a siloed, departmental way of thinking to a cross-functional, process-based approach."

To support the new operations, Deli XL needed a new distribution management capability. Tom Berk explains, "Our legacy system had reached its limits in terms of its functional capabilities, and it was no longer able to cope with the ever-changing nature of the industry in which we operate today."

High volume product throughput

Deli XL started the selection process for its new distribution management solutions by defining the main needs of its business; not only focussing on the organisation's current business activities, but considering the expected market and organisational developments for the next five years. Following an extensive selection process, Deli XL selected Manhattan Associates. A positive experience by many other organisations in the food sector is one of the reasons Deli XL chose Manhattan Associates. Moreover, the solution components within the Manhattan SCOPE solution suite are very well suited to the type of high volume product throughput seen across Deli XL's warehouses, where significant quantities of goods of variable size and shelf life are processed.

"Besides the quality of its solutions, Manhattan Associates is a great partner to work with," says Tom Berk. "Manhattan's team members are real supply chain people. The company invests a lot in R&D and their software solutions evolve continuously, just like our business and our business environment. They are exactly the kind of supply chain partner we were looking for."

Erwin Bommerson, manager of Deli XL's National Fresh Centre, endorses the words of his colleague, "We have a great relationship with Manhattan Associates. What we really appreciate is that they challenge us, based on their own experiences. The Manhattan people do not just carry out what we ask them to do, but critically analyse the solutions we come up with. This collaborative implementation process has brought us a better solution than we first expected."

Complete new distribution environment

The implementation of Manhattan's supply chain systems platform is one part of a completely new systems infrastructure that Deli XL is deploying across its business. Deli XL is also implementing an enterprise resource planning (ERP) system from SAP and an e-commerce platform from ATG.

In consultation with Manhattan's team of experts, Manhattan's Warehouse Management, Slotting Optimisation and Supply Chain Intelligence solutions are being deployed. These solutions will foster an environment of improved collaboration across Deli XL's extensive distribution network and improve the entire order fulfilment process.

"Selecting Manhattan Associates as our supply chain partner was definitely the right decision," says Hans van der Ster, director operations at Deli XL. "Manhattan is helping us realise our strategic goals."

"The implementation of Manhattan's software has definitely made us more efficient. We have better visibility and therefore control over our supply chain execution processes," confirms Erwin Bommerson. "Manhattan's solutions provide us with the ability to connect and automate all process steps within our distribution operation. The track and trace capabilities of the system are very valuable to us. We know which goods are coming in, where these goods are and how we are going to deliver them to our customers. We scan everything and use voice picking. Our operations have definitely improved. In the future, we will deploy more features from Manhattan's Warehouse Management system. Manhattan's scalable solutions certainly provide us with scope to continue growing in the years ahead."