



THE SUPPLY CHAIN COMPANY®

# Managing Rapid Growth



With Support from JDA, Glazer's Leverages Collaboration to Keep Pace

## Glazer's Distributors Fast Facts

**Industry**  
Wholesale Distribution – Beverage

**Headquarters**  
Dallas, Texas

**Description**  
Glazer's Distributors is one of the largest privately held companies in the United States, with nearly 6,000 employees and 29 distribution centers in 11 states. As the nation's fourth largest wholesale distributor of wine, spirits and malt beverage products, Glazer's generates more than \$3.2 billion in annual revenue. The Glazer family began its beverage distribution business in 1909 in Dallas, and Glazer's Distributors as it is known today was founded in 1933.



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- Dave Christensen,  
supply chain strategy manager,  
Glazer's

## Objective

Execute a reliable demand-driven supply chain that focuses on customer service, supports vendor collaboration and optimizes inventory.

## Solutions

- JDA® Demand
- JDA® Demand Classification
- JDA® Market Manager
- JDA® Fulfillment
- JDA® Collaborate

## Services

- JDA Implementation Services
- JDA Support Services

## Alliance Partner

- MEB Consulting

## Real Results

- Improved inventory turns by more than 60 percent
- Improved customer service rates by 2 – 3 percent
- Increased fill rates by 7 percent for a strategic vendor in the first year through CPFR program
- Reduced inventory by 21 percent year over year and reached desired service levels in the first four months of CPFR program



Glazer's Distributors has enjoyed years of steady growth as it expanded its business selling wine, spirits and malt beverages to big-box retailers, bars, restaurants and liquor stores. In the early to mid-2000s, Glazer's realized that it needed new supply chain planning and collaboration solutions to manage this ongoing growth — as well as the changing industry landscape.

"Our vendors were consolidating. Our retailers were consolidating. We were consolidating, too, as we acquired other distributors and incorporated them into our business," said Dave Christensen, supply chain strategy manager at Glazer's.

Glazer's was in the midst of a dramatic growth period. Its total sales of \$400 million in the mid-1990s would eventually reach \$3.2 billion by 2010. Its inventory was also expanding to include more than 47,500 individual products, held in 29 regional distribution centers. The company could no longer rely on spreadsheet-based processes and legacy systems, and needed a more sophisticated platform to make faster and better supply chain decisions. "We realized that if we wanted to operate a progressive supply chain, we also needed a progressive, leading-practice supply chain solution," said Christensen.

To support future growth, Glazer's turned to JDA Software. "One of the key capabilities that mid-sized companies like ours need in a supply chain solution is scalability. The JDA solutions provided the scalability we needed, as well as capabilities for demand planning, which we were not doing at the time," said Christensen. "In addition, some of our vendors on the sales and marketing side were already using JDA solutions, and we felt there were opportunities for collaboration."

### Meeting Local Demand with Centralized Fulfillment

As part of its transformation, Glazer's adopted a supply chain strategy and developed metrics to measure performance. The company then implemented JDA's supply chain planning and collaboration solutions, along with exception-based processes and procedures. As a result, Glazer's has been able to combine a granular, local level of demand visibility and forecasting with a cost-effective, overarching fulfillment strategy that spans all of its markets.

Glazer's now has a decentralized forecasting process, with all of its demand planning groups operating in each state. The planners forecast at the

state level, working with local marketing and sales teams. Then Glazer's rolls the regional forecasts up into a centralized fulfillment plan, which is used to purchase products centrally back at its corporate headquarters in Dallas.

"The JDA solutions have really provided better supply chain processes and focused our activities," noted Christensen. "We have daily, weekly and monthly processes that feed information from our enterprise resource planning [ERP] and legacy systems to our JDA solutions, and then we take the JDA outputs and feed them back into our ERP and legacy systems."

The results of implementing the JDA solutions were immediate. "We've improved replenishment-based inventory turns by more than 60 percent over the last several years, and we've improved customer service by 2 – 3 percent," said Christensen.

### The Importance of Collaboration

Glazer's chose to implement JDA's collaboration solution to further improve its vendor relationships and performance levels. "To take our performance to the next level, we had to look beyond our four walls," said Christensen. "We reached out to some key supply chain partners to increase our level of collaboration."

For instance, Glazer's increased collaboration with a vendor that had some issues with out-of-stocks, establishing metrics and increasing supply chain visibility. "By providing that level of visibility, we saw order fill rates improve by 7 percent within the first year," said Christensen. Glazer's also established an interactive sales and operations planning (S&OP) process with another supplier, projecting orders on a weekly basis and sharing longer-term forecasts via JDA® Collaborate.

Since its initial implementation, Glazer's has embarked on a full-scale collaborative planning, forecasting and replenishment (CPFR) program with a key vendor. Within the first four months of executing the CPFR program, Glazer's maintained its service levels while reducing its inventory by 21 percent compared to the previous year.

## Complementing Solutions with Services

In addition to relying on JDA solutions, Glazer's has established a close relationship with the JDA Services team. "JDA Services has been a great resource. We signed up for the Platinum Service approximately two years ago. Whenever we run into an issue, whether it's on the process or technical side, JDA has provided consulting support that has helped us navigate through those issues,"

said Christensen. "I have nothing but good things to say about the support JDA has provided us through this service."

"Today, we're in a mature state, where we're working well with JDA and our supply chain partners. We're leveraging the tools and getting value from the tools. We're in a really good position with our JDA solutions," added Christensen.

## Looking Toward a Bright Future

According to Christensen, one of the most important benefits is a new forward-looking perspective that pervades the company. "We don't want to rest on our laurels. We always want to improve, and we believe that constantly reengineering the process is the way to do that. We are looking to expand our CPFR model and our collaboration with our external vendors. We'd also like to further improve the relationships and processes with the current vendors we're working with."

"We have achieved a lot of quantitative results from our JDA solutions, but the qualitative benefits are just as important," said Christensen. "We now have more structure and accountability in our approach to the supply chain. We have a platform to build powerful relationships with our supply chain partners. JDA has really enabled us to differentiate ourselves based on our sophisticated tools and our high level of vendor collaboration."

## About JDA Software Group, Inc.

JDA® Software Group, Inc. (NASDAQ: JDAS), The Supply Chain Company®, is the leading provider of innovative supply chain management, merchandising and pricing excellence solutions worldwide. JDA empowers more than 6,000 companies of all sizes to make optimal decisions that improve profitability and achieve real results in the discrete and process manufacturing, wholesale distribution, transportation, retail and services industries. With an integrated solutions offering that spans the entire supply chain from materials to the consumer, JDA leverages the powerful heritage and knowledge capital of acquired market leaders including i2 Technologies®, Manugistics®, E3®, Intactix® and Arthur®. JDA's multiple service options, delivered via the JDA® Private Cloud, provide customers with flexible configurations, rapid time-to-value, lower total cost of ownership and 24/7 functional and technical support and expertise.

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