



Batleys, one of the UK's largest cash and carry firms has reaped the business benefits of using ab-initio

Batleys, a prime mover in the UK's cash and carry market, is committed to delivering the wholesale FMCG trade's best customer service. From its roots in Yorkshire, the company now has a turnover in excess of £500 million. With the maxim - the right product, in the right place - firmly in mind, Batleys stocks over 25,000 product lines procured from more than 2,500 suppliers at its 18 depots.

The challenge:

- Batleys expanding operations required a management system that could cope with scalability, speed, stock control and integration issues
- Creating a two-way information flow between head office and the depots
- Integrate a management system that provides efficiency, agility, control and visibility across the estate

Our solution:

- One fully integrated centralised operational system phased in across the business – from head-office to point-of-sale, from warehouse to web – operating in true real-time.

The results:

- Accurate information giving better margin control
- Rapid return on investment
- Reduction in administration has freed up staff time
- Easy store roll out
- Accurate and perpetual inventory
- Reduction in waste
- The next step real-time tilling
- One version of the truth

"Every morning, each depot general manager can see exactly what their trading situation is, and so can I and my regional controllers no matter which dept we are visiting." Martin Race, Operations Director, Batleys

The challenge:

Batleys recognised that it faced a number of challenges in its management systems. These included scalability, speed, stock control and integration issues needed to keep pace with the expanding operations.

Tony Aldred, IS Controller at Batley, is clear about their requirements: "We wanted to look at the totality of our Head Office and Depot infrastructure and address the fundamental problem posed by most retail information systems - the dislocation of two-way information flow between head

office and depot that results in weak management control of the core business processes."

Batleys established a multi-discipline project team to prepare an ITT (Invitation To Tender) that was sent to 14 companies. "In a business with high inventory turn and low margins, gaining and maintaining control of the consolidated stock position is a major step towards increased profitability," says Chris Ingle, financial controller.

"From a position of having 18 separate depot inventories, administration systems and reporting systems, overlaid with a separate head office system, we require sophisticated stock control and back office management functionality that would operate across the enterprise."

The solution:

The tough selection criteria quickly whittled down the choice to three companies - with Celtech emerging the clear winner. "They were ahead of the competition in head office functionality and could supply the enhancements we needed to provide a holistic end-to-end view of the operation and enable stronger central control at all levels and reduced administration at depot level," says Chris Ingle.

"The sophistication of the ab-initio stock control translates directly into accurate measures of stock valuation, rendering more accurate margin information, and, thereby, enhanced profitability. Their solution also integrates from the till through to head office, allowing analysis by product line from any point in Batley's network."

Chris worked extensively with Celtech's consultants to tailor the back office system.

"I wanted to create a 'self-reconciling' back office on top of Celtech's sophisticated stock control system. Therefore, we looked at every transaction-type movement to determine where and when it should be captured, and captured once only, for the stock reconciliation process."

A measure of the success of the centralisation of the manual process is illustrated by the efficiencies the ab-initio system has introduced to invoice matching and claims management, which are now processed on a central basis in head office and are facilitating the move to more efficient and professional working practices with Batley's suppliers.

"After 13 years in the cash and carry business they were the easiest depot openings I've ever experienced," - Tony Aldred, IS Controller at Batleys.

Martin Race, Operations Director for Batleys - "ab-initio has enabled us to manage the profitability of sales promotions and correctly value obsolete or slow moving stock. Both of these directly impact on profitability. Reports now show the correct margins when goods are sold without distortions arising purely from price change valuation effects."

The last word belongs to John Tobin, Batleys Financial Director. "We rely utterly on ab-initio as the main operating system of the business; its powerful business management solution controlling back office data across the enterprise and sophisticated point-of-sale functionality controlling our tilling. The system looks after our data so we can get on with running the business."