

▶ MDV Nash Finch

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► convert spoken responses to data and vice versa.

Business Issues

Narrow margins and fierce competition make efficiency the critical element in the grocery business. For MDV Nash Finch (MDVNF), which delivers more than a million cases of foodstuffs to US military commissaries both in the US and overseas each week, it is absolutely essential.

With intense competition, the only way MDVNF can maintain its leadership position is to take advantage of technology breakthroughs that help make sure the right goods are delivered to the right commissaries in the right amounts on time. To help serve its customers in the most efficient way possible, MDVNF chose to implement SSA Voice-directed Distribution, a module of SSA Warehouse Management (WMS) from SSA Global, on an IBM pSeries server.

The Company

MDVNF is the leading U.S. East Coast supplier of groceries to the Defense Commissary Agency (DeCA) and, as such, plays a vital role in meeting the grocery needs of military personnel and their families. A division of Nash Finch® Company, MDVNF serves more than 100 military commissaries and exchanges in the continental U.S., Europe, Cuba, Puerto Rico and Iceland.

MDVNF has 600 employees, operates out of a 650,000 sq-ft. primary military distribution center in Norfolk, Va. and manages an extensive supply chain and distribution network that covers military bases from New York to the Carolinas and overseas.

company -----	MDV Nash Finch
solution -----	SSA® Warehouse Management
product -----	SSA Voice-directed Distribution
platform -----	IBM® pSeries®
database -----	IBM Informix®
industry -----	Retail
customer revenue -----	USD \$1B
employees -----	600
country -----	USA

What's Critical

“The grocery industry is recognized as one of the most difficult to operate in because it's such a low-margin industry,” says Joe Reger, distribution services manager, MDVNF. This puts an enormous amount of pressure on MDVNF to service customers in the most expeditious and efficient manner possible.

As a result, MDVNF has adopted the motto “Performance Driven” as a corporate philosophy and aims to deliver service levels and support services that surpass industry standards. This approach has led to the highest overall order fill rates in the industry and consistently high ratings from the DeCA, which, in turn, is able to realize sales growth in a difficult market environment.

MDVNF has always been on the technological cutting edge and is usually an early adopter of new solutions and tools that will help it drive performance improvement. Says Reger, “We're constantly looking for new opportunities, new technologies, new capabilities that will give us an edge on our competition and we've found that with the SSA Global and IBM solution.”

Finding the Right Solution

MDVNF needed a solution that would deploy quickly, deliver maximum functionality with minimum disruption and handle large case movement logistics from the distribution center to destinations both in the U.S. and overseas. Moreover, the company was looking to optimize manual warehouse processes, such as selection, replenishment and put-away operations and it wanted a powerful tracking capability to make sure its human resources were being utilized in the most advantageous way possible.

“It was apparent from an early stage that SSA Voice-directed Distribution was the right solution for us,” said Reger. “In addition to being able to meet our speed and functionality requirements, the solution implemented on an IBM pSeries server offered what we felt to be the most adaptable platform,” said Reger. SSA Voice-directed Distribution also takes advantage of IBM's Informix database performance and manageability features.

SSA Voice-directed Distribution uses advanced speech recognition technology delivered through a direct, real-time interface that converts spoken responses to data and vice versa. This not only saves time, but it improves order picking accuracy and warehouse productivity.

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Implementing Fast

As part of the implementation, SSA Global provided a support team so that any issues in the rollout could be quickly identified, addressed and subsequently fixed by the on-site team.

Deployment of the solution was particularly well done, he says. “Far and away, the SSA Voice-directed Distribution implementation was one of the smoothest major-system go-lives that we've ever had as a company. It was as close to being a turnkey solution as we could imagine. We were very pleased.”

Making it Pay

“The SSA Global solution has helped us focus on what our customer actually wants and then to deliver it faster and more efficiently than ever before,” says Reger.

The deployment has demonstrated clear benefits that cut right to the bottom line. Reger credits the SSA Global and IBM solution for massive throughput increases in selection, replenishment and put-away. “With SSA WMS we've seen substantial increases in our throughput across our mission-critical tasks,” he says. “We are able to select 30-40 percent more cases than before. In the replenishment function we're seeing 80-90 percent improvement; in put-away, approximately 40-50 percent. This return is pretty remarkable and helps us keep our competitive advantage in the marketplace.”

According to Reger: “We originally implemented SSA WMS because we needed a demand-driven system that would provide extra capacity and be able to handle a lot of transaction volume. Not only does SSA WMS allow us to handle all the orders and all the receiving and all the shipping operations, but it also gives us tools for labor tracking, and management — it really is kind of the central nervous system of our warehouse.

“If we did not have a modern, expandable, up-to-date WMS, we couldn't complete our mission of shipping a million cases of groceries to the U.S. military each week. This system literally enables us to live another day.

“Additionally, the SSA Voice-directed Distribution module of SSA WMS, has led to improvements in order accuracy and inventory management, enabling us to enhance our demand-driven approach and make sure we are always delivering what the customer wants when he wants it.”

Reger goes on to say that the SSA Global software and IBM pSeries server make a powerful combination. “The high-speed IBM servers are making it possible for us to get the full benefit of the SSA Global software.”

Forward Faster™ - Into the Future

Plans are already in the works to expand the use of the direct labor module of SSA WMS, SSA Labor Management, as well as the SSA Voice-directed Distribution functionality at MDVNF. As SSA Global introduces new warehouse management capabilities, Reger plans to be among the first to consider them.

“SSA Global has done an outstanding job to this point. They've met our needs and — even more impressive — our expectations, and I can easily foresee our enjoying a lifelong relationship with them. As long as SSA Global continues to be demand driven and respond with the solutions we need to service our customers, then I would fully expect that relationship to continue indefinitely.”

About SSA Global

SSA Global™ (NASDAQ: SSAG) is a leading provider of extended ERP solutions for manufacturing, distribution, retail, services and public organizations worldwide. In addition to core ERP applications, SSA Global offers a full range of integrated extension solutions including corporate performance management, customer relationship management, product lifecycle management, supply chain management and supplier relationship management. Headquartered in Chicago, SSA Global has over 50 locations worldwide and its product offerings are used by approximately 13,000 active customers in over 90 countries. For additional information, visit the SSA Global web site at www.ssaglobal.com.



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