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CASE STUDY

Value of Data Synchronization for McLane Company

As a distributor, McLane Company plays the role of both a retailer and a supplier when synchronizing data. The company distributes products for approximately 3,500 suppliers. Headquartered in Temple, Texas, McLane has grown from a local merchant to a company that provides services to more than 60,000 customer locations around the world. McLane's customers include mass merchandisers, convenience stores, quick service restaurants, drug stores, and movie theaters.

McLane initially began its data synchronization initiative to meet its retail partners' requests. Seeing the value of synchronizing accurate item information, McLane rolled out its data synchronization campaign to its Tobacco, Confection, and Perishable suppliers. Since then, McLane has been very active in synchronizing all item information for its entire Grocery division. McLane relies on a 1SYNC™ solution to meet both its retailer and supplier requirements. A data pool certified by the Global Data Synchronization Network® (GDSN®), 1SYNC offers data synchronization solutions for trading partners of all sizes. "Working with 1SYNC proved beneficial for us. As a distributor, we are able to play both ends of the equation easily," commented Beckey James, Electronic Commerce Manager at McLane.

"Today we use a category approach to roll out our data synchronization initiative with our suppliers. This is an efficient and successful approach for our company," explained Beckey. "Since adopting the category approach, in only one year we have doubled the number of partners with whom we sync data." Data synchronization has been rolled out to the Confections, Tobacco, and Perishables & Frozen Foods categories to date. The category approach works for McLane as it allows the company to focus and commit resources internally where they are needed at any one time.

The adoption of data synchronization has resulted in multiple benefits for McLane. "We found that we save money in purchasing, thanks to data synchronization," said Beckey. "Before data sync, when we purchased products by weight from our suppliers, some used 'net weight' and others used 'gross weight'. Data synchronization ensures that we are all speaking the same language, which has resulted in cost savings. We can also plan truck loads more efficiently now." she added.

To become certified by McLane, a supplier must publish items currently carried by McLane through Global Data Synchronization, following all Global Trade Item Number® (GTIN®) Allocation Rules. Before certifying a supplier, McLane ensures that all items it carries have been published and that all information in the system is accurate. McLane compares what is being sent through the GDSN to what was previously cubiscaned. Disparities need to be resolved and there needs to be a process in place for new items to be published. McLane also needs to know the process used for weighing and measuring

cases after they are produced, and finally, what processes are in place to ensure that data accuracy is retained.

Data synchronization has brought a variety of benefits to McLane's suppliers. For example, once a supplier becomes certified in McLane's data synchronization program, it can send item information to McLane without shipping case samples. "One supplier saved close to \$65,000 by not having to ship case samples," explained Beckey.

Beckey likes to share information about these benefits with McLane's suppliers. While many tend to focus on the way data synchronization provides the means to support retailer requirements, she stresses that the process serves all trading partners in the supply chain. "With data synchronization, every trading partner can maximize operational efficiencies and each of us can benefit from it," she said.