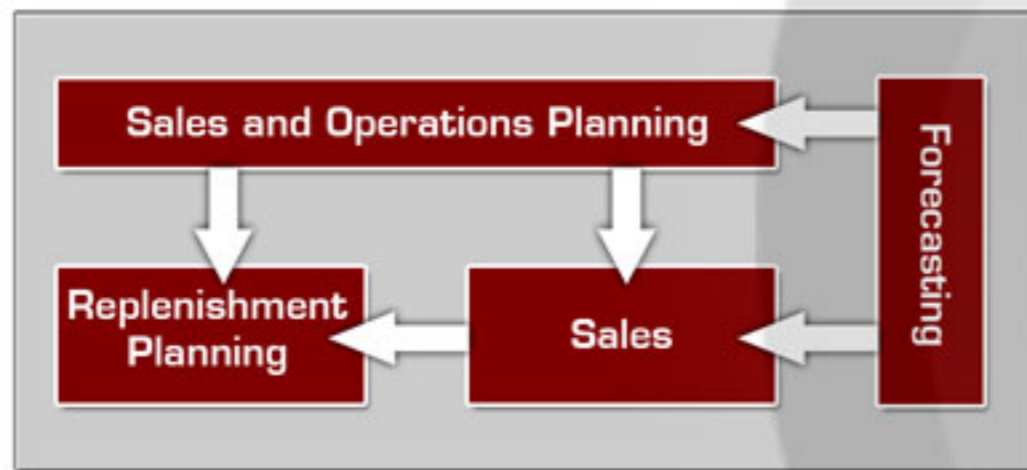


iPLAN

THE CLIENT



Dunhill is an international luxury goods trading company with products ranging from leather goods such as wallets and briefcases to men's jewellery such as watches and cufflinks.

THE HISTORY

In 2003 Dunhill shifted its supply chain strategy to emphasise global optimisation with the objective to achieve business benefits in three distinct areas:

- Reduced global inventory;
- Improved synchronisation of new product introductions and phase-outs of old product lines simultaneously around the world; and
- Collaborative Supplier Scheduling.

THE ASSIGNMENT

To implement this global optimisation strategy, iPlan's professionals were assigned to redesign the supply chain planning processes, acquire and implement an appropriate information technology platform to power the new business processes and then to replace the legacy mechanisms with the new supply chain planning processes. The geographical scope of the project encompassed integration of the Dunhill Regions (the major ones being Japan and Asia-Pacific) with the central functions in London and a base warehouse in Reading, UK.

THE PROJECT

iPlan executed the project in four distinct phases. Initially, a **Pilot Project** was run to test the concept of global supply chain optimisation within Dunhill. The result of the pilot confirmed the potential for large savings in supply chain costs but also highlighted the need for a thorough redesign of the planning business processes and – significantly – a need to upgrade the Supply Chain Management skills and expertise of the Dunhill personnel.

Process: The **Design Phase**, iPlan's professionals designed a business model and detail business processes in such a way that forecasting of anticipated demand could be done decentralised in Dunhill's major regions. The decentralised forecast would then be used for long range replenishment planning from the centralised facilities at Reading in the UK. Finally, new product introductions and phase-outs and scheduling of suppliers were designed to be centralised in London.

System: In the **System Acquisition Phase**, iPlan's professionals converted the business process designs into a user specification. They then used this user requirement to search for appropriate information technology, to evaluate alternative offering and finally to recommend a software system (MerciaLincs). The system was acquired and the supplier configured it to the requirements of the planning business processes as approved at the conclusion of the previous phase.

People: The **Implementation Phase**, iPlan Industrial Engineers conducted extensive education and training sessions around the world, coordinated the internal Dunhill teams loading the data and synchronised the global go-live.

THE OUTCOME

Dunhill was improved on all three degrees of freedom: systems, processes and people organisation. Global supply chain visibility now enables the company to view expected demand in all markets simultaneously and the executive team use this information to set target inventory levels at different locations, schedule manufacturing suppliers and plan new product introductions. Savings on inventory alone in the first few months after going live paid back the cost of the project.



"This Global Supply Chain Planning project has been completed on time (although on an extremely tight schedule), on budget, and as per the initial specifications, which is something that needs to be acclaimed!"
(Bruno de Terrelaine, Dunhill Supply Chain Director)