



IBM Software Group

## 2005 B2B Customer Conference

*Pioneering New Horizons – Solutions that Evolve*

### **Food Lion, LLC - Journey to B2B**

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Food Lion, LLC

**WebSphere.** software



**ON DEMAND BUSINESS**

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## Objectives



- **Company Profile**
- **e-Business / EDI & AS2**
- **Need for Item Synchronization**
- **History**
- **Benefits**
- **Commitment**
- **Where We Are**
- **Where We're Going**

**United States:**  
1,523 stores; USD 15.8 billion sales

**Belgium, Luxembourg, Germany:**  
747 stores; EUR 3.9 billion sales

**Southern  
& Central  
Europe:**  
253 stores  
EUR  
1.2 billion  
sales

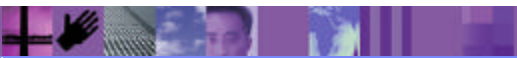


2,565 stores  
Sales EUR  
18.0 billion  
Operating profit:  
EUR 820 million  
Earnings before  
goodwill and  
exceptionals:  
EUR 410 million

**Asia:**  
42 stores; EUR 135.6 million sales

# Delhaize Group – Banners at a Glance





## Food Lion Company Profile

- **One of the Largest Supermarket Chains in US**
- **70,000 Associates**
- **1,200+ Stores in 11 States**
- **7 Distribution Centers in 5 States**
- **10 million+ Customers per Week**
- **Offering 28,000 items**
- **Fleet / 525 Tractors / Over 58 Million Miles in 2004**
  - **DC 1 - Salisbury, NC - 39,000 gallons fuel / week**
  - **Operating Costs – 1.80 / mile**



# Food Lion e-Business Team



**Toni**



**Linda  
(Team Lead)**



## Specialists



**Rhonda**



**Carolyn Hager  
e-Business  
Manager**

## Analysts

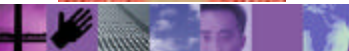


**Beth**

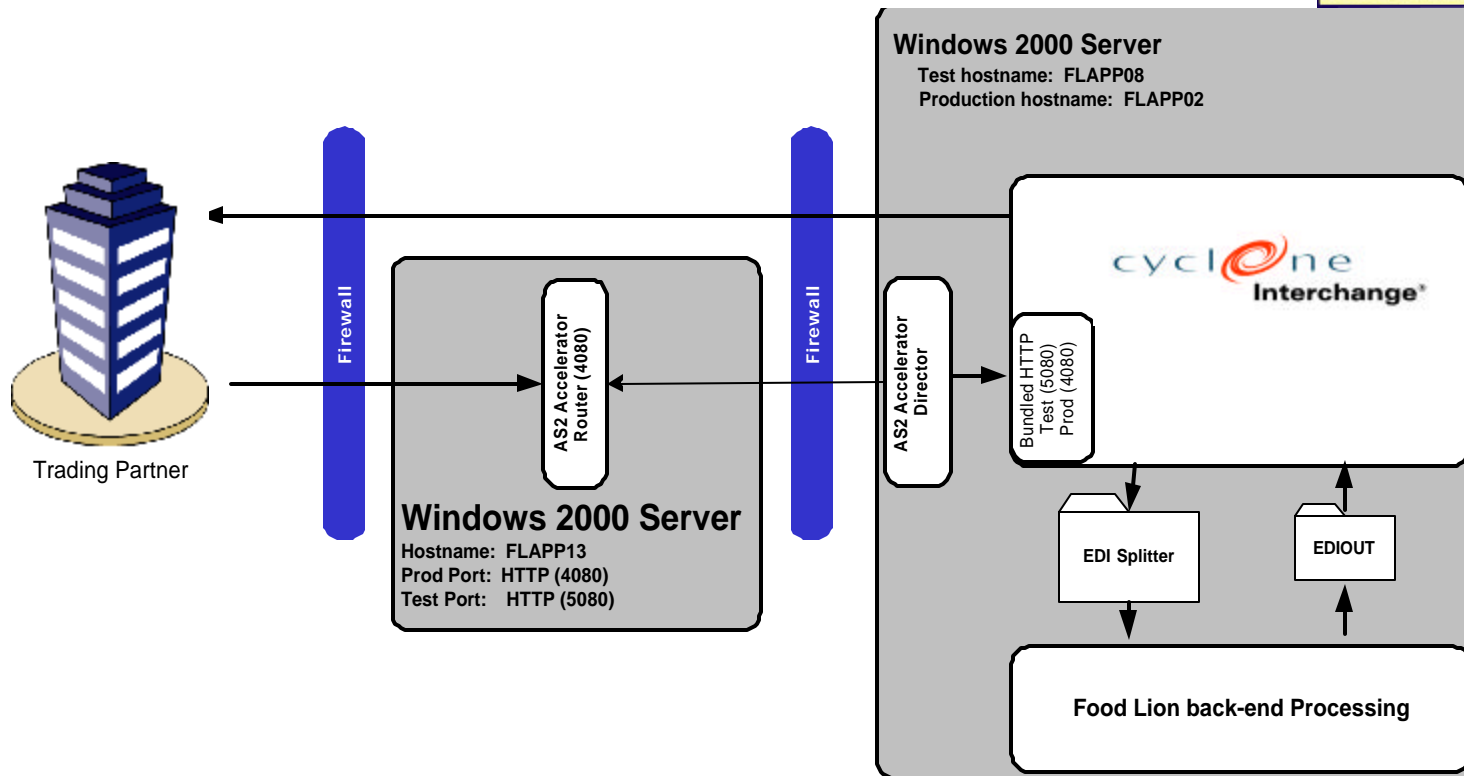
**Mary Jane**



**Samia**



# e-Business – AS2 Overview





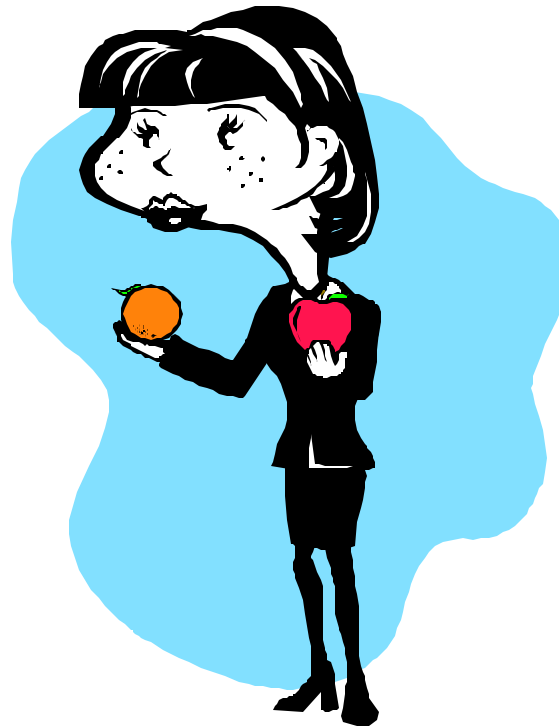
## e-Business - EDI Overview



- **2000+ Trading Partners Supported**
- **31 EDI Transactions Supported**
  - **Supply Chain/Procurement**
  - **Financials**
  - **HIPAA**
  - **Risk Management**



# The Need for Item Synchronization...



# Item Synchronization - History



## Delhaize Group B2B



## Benefits



- **Faster Marketing for New Item Introductions**
- **Quicker Turnaround for Item Changes**
- **Higher Purchase Order Accuracy**
- **Reduction in Invoice Mismatches / Payment Discrepancies**

## Commitment



**Price /  
Promotion**

**RFID**

**CPFR**

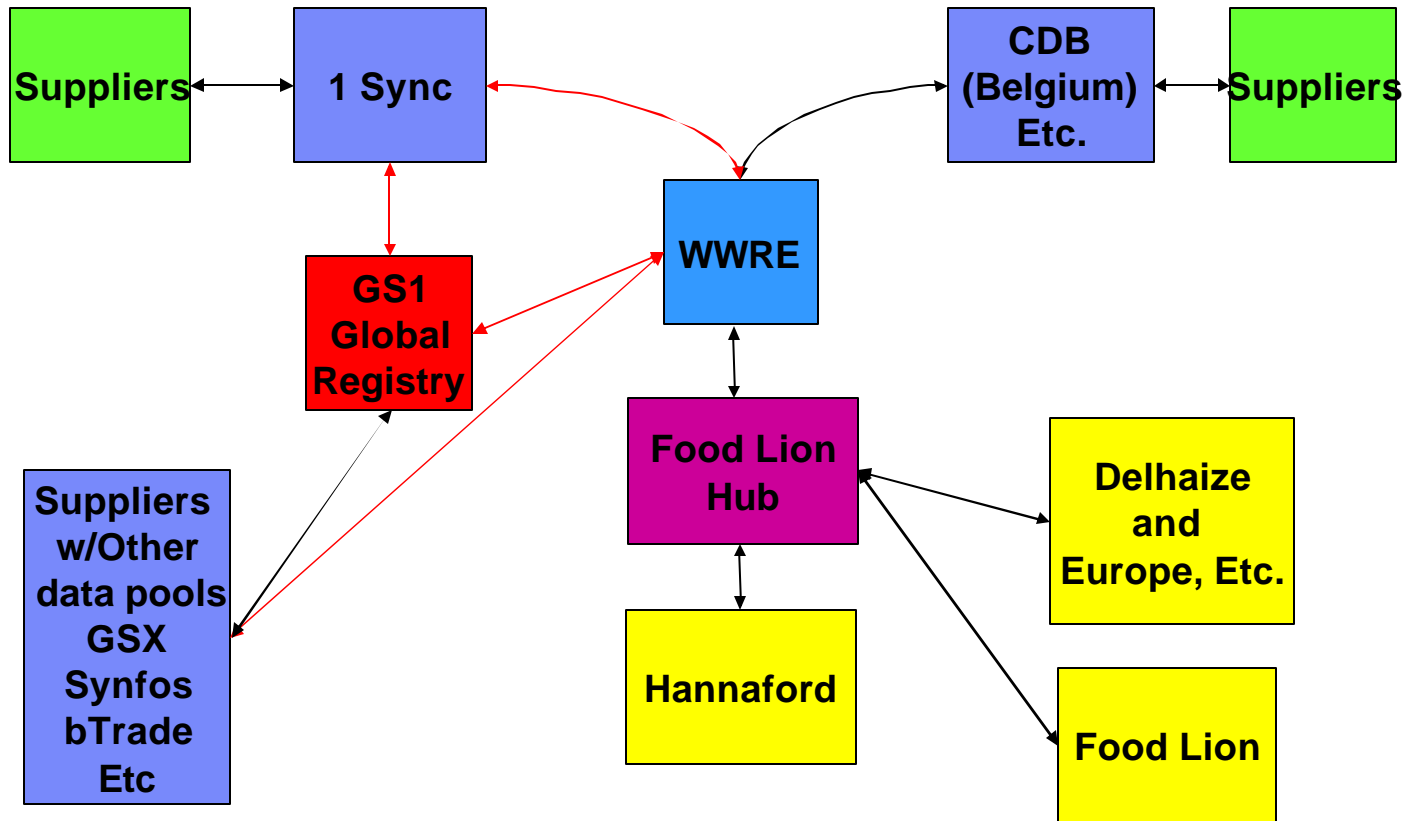
**Foundational**

## Where We Are...

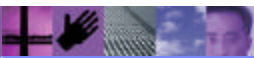


- **GDS Solution In Place**
  - **Pilots for Delhaize Belgium**
  - **Testing for Food Lion**
- **Master Data Solution In Place**
- **Vendor Portal In Place**
- **In Test Mode to Support New Systems for Vendor and Item**

# Process Model



Black lines represent direct connections, Red lines represent interoperability connections

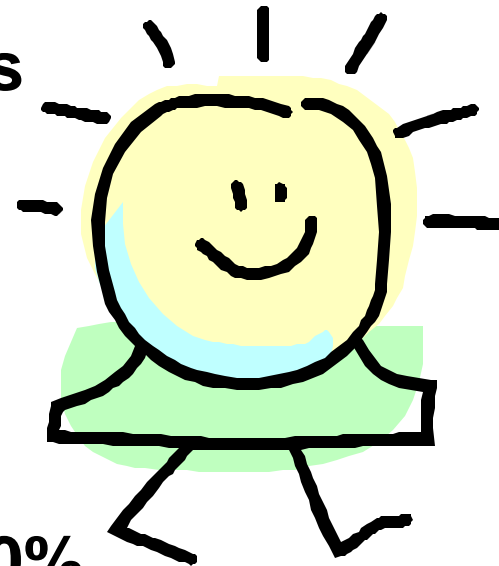




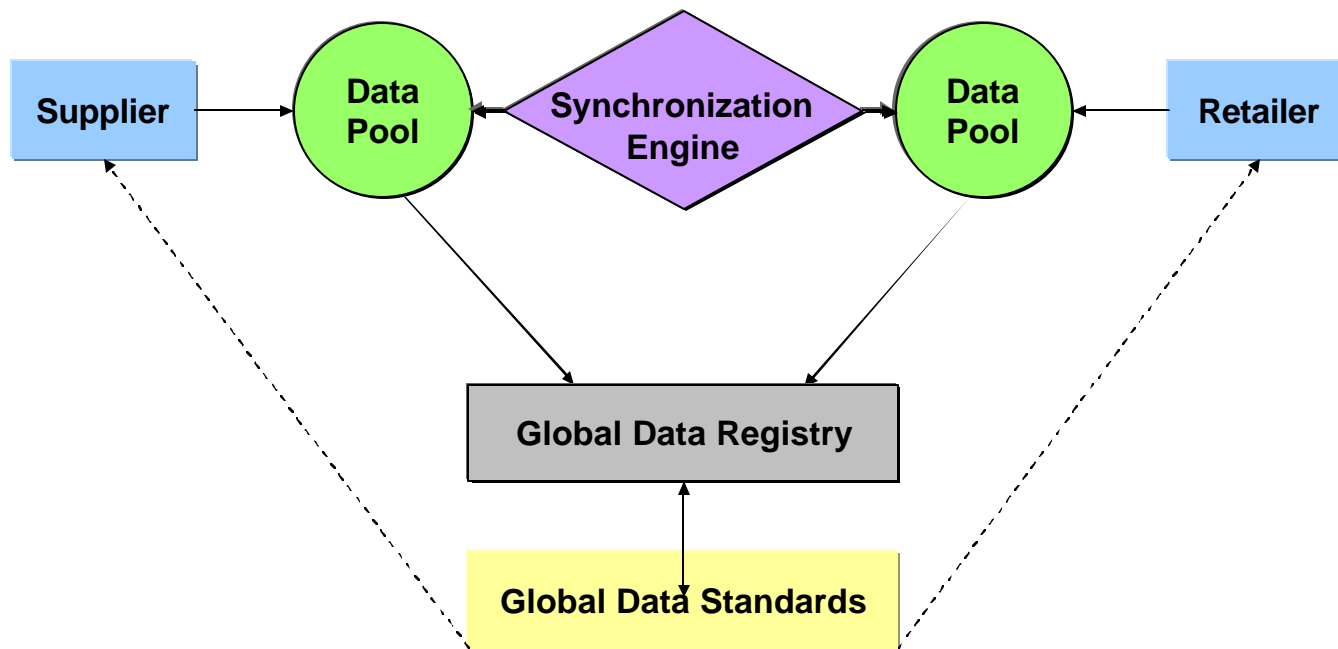
## Where We're Going...



- **Ensure Master Data Models Are In Place, Stable**
- **Pilot Data Synchronization Solution With Controlled Vendor**
- **Continued Ramp Up To 100%**



# Data Synchronization Network Model



A flexible, scalable global model has been agreed for *continuous, automated* data synchronization



# Item Synchronization Process Flow

