IBM

Supervox Streamlines Distribution, Cuts Costs with Interactive Electronic Warehouse

Product distribution to small retailers in France, Spain, Belgium and Italy is undergoing a dramatic and extremely productive change with the availability of Supervox's interactive electronic warehouse on the Internet. Supervox Groupe is one of France's leading wholesalers, with sales of $100 million and numerous manufacturing, assembly and distribution sites in France and Spain. By using IBM's CommercePOINT family of Internet products and services, Supervox is making its catalog of 8,000 electrical, sanitary, gardening and automobile accessories available directly to its customers.

"In addition to the time savings, we knew that with IBM Net.Commerce we could save our customers over 30 percent on the cost of ordering through traditional wholesale channels."

—Christophe Beranger, Director General, Supervox

Using IBM's Net.Commerce full-featured electronic commerce software, Supervox and IBM created an interactive electronic warehouse that's making it easy for small European retailers serving the do-it-yourself industry to order and receive products in 48 hours or less.

In addition, by being one of the first European commercial organizations to use electronic commerce to reach its clients, Supervox has established itself as an innovator and technology leader. Its partnership with IBM has also helped support Supervox's strategy to substantially increase its profits and product turnover.

Ordering was onerous

Before Supervox offered its interactive electronic warehouse, little had changed in the last few decades for the tens of thousands of small shop owners in Western Europe. After sorting through thick wholesaler catalogs, shop owners would fill out lengthy order forms, mail them to the wholesaler, and then wait several days for the goods to be delivered. Occasionally, a sales representative might drop by a major customer's shop to show new products and services. But for small businesses in remote locations, this was a rare occurrence.

Application	Internet-based ordering, automatic restocking and distribution system
Software	IBM Net.Commerce IBM DB2 IBM AIX IBM OS/400
Hardware	IBM RS/6000 IBM AS/400
Services	IBM Global Services Internet hosting

"Our sales, especially to the 10,000 or so small retailers in France, were repetitive—many customers ordered the same products in the same quantities over the same time frame,"
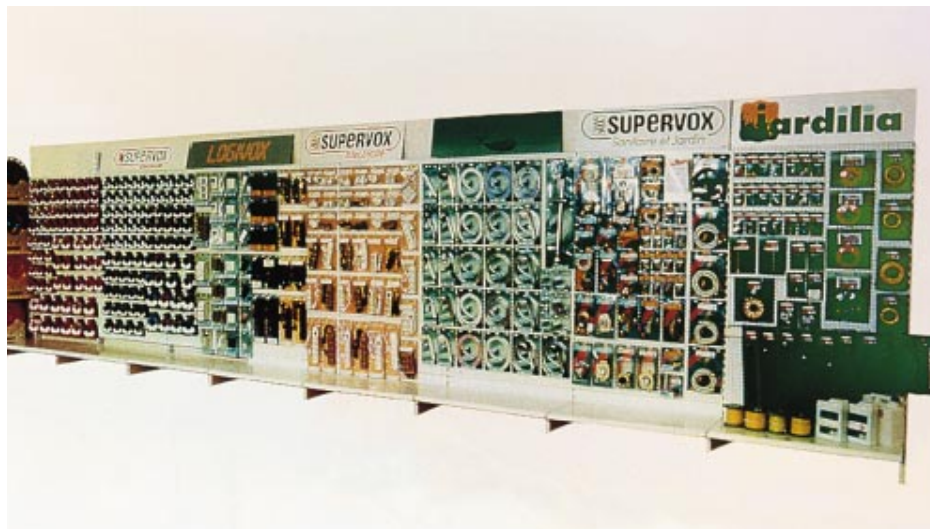
Retailers can browse through the shelves of Supervox's interactive electronic warehouse to find products by category or name.

says Christophe Beranger, director general of Supervox. "We realized that it would be easier for our customers to do business with us if we could automate the reordering process and make it accessible through the Internet."

Building an interactive warehouse with Net.Commerce

Supervox chose IBM as their Internet partner based on the company's experience, reputation, and breadth of products. "For many small European businesses, the Internet is a new world. We recognized that IBM had invested a lot in this world and could take us where we wanted to go," says Beranger.

"The market potential is incredible. People used to say that the Internet was for tomorrow. But the difference between today and tomorrow is only 24 hours. IBM has the knowledge, experience and products to implement an Internet solution today."

—Christophe Beranger, Director General, Supervox

Working with IBM France, Supervox used IBM Net.Commerce to create its custom Shelf Auto-Filling (SAF) program. Using a PC with a modem connection to the IBM Global Network, retailers can browse through the shelves of Supervox's interactive electronic warehouse to find products by category or name. The screen displays pictures of the products stacked on shelves, the same way they would look in the shop itself. A click of the mouse automatically orders brand name products such as Idelec, Logivox, Forumling, Arexons, Jardilia, and Champion, and a wide variety of other products geared to the do-it-yourselfer.

Automatic reordering saves time

Supervox delivers 98 percent of these electronic orders in 48 hours or less. When an established customer places an order, the SAF program automatically checks that customer's online inventory and will set up an automatic quantity reorder, if so instructed. SAF can also provide sales statistics for a particular product, and inform the customer of any promotional opportunities currently being offered by the manufacturer, including discounts and coupons.

Beranger estimates that the interactive electronic warehouse and IBM Net.Commerce are saving his customers many hours of valuable time that would have been spent filling out order forms or scrolling through lists of 8,000 products. "In addition to the time savings, we knew that we could save our customers over 30 percent on the cost of ordering through traditional wholesale channels," says Beranger.

However, Beranger also says that only about 4,000 of his customers use a PC daily, and very few use the Internet. To entice shop owners to join the computer age, Supervox provided 10,000 customers with Internet start-up kits, each containing a modem, a Web browser and IBM dial-in software.

The Supervox commerce server is hosted in Paris on two IBM RS/6000 servers. One is a firewall server, and the other a merchant server running IBM Net.Commerce software. The back-end system in Toulouse features a DB2 database and a network of four AS/400s and one RS/6000. Supervox uses the IBM Global Network to access the RS/6000 servers in Paris, the first of which performs checks for authorized access and the second of which stores the orders.

E-commerce produces dramatic increase in sales potential

SAF and the interactive electronic warehouse have proved so popular that Beranger plans to connect 3,000 Supervox customers over the next several months. He estimates that thousands more will want to use Supervox's interactive electronic warehouse on the IBM Global Network, representing millions of dollars in annual sales.

"The market potential is incredible," says Beranger. "People used to say that the Internet was for tomorrow. But the difference between today and tomorrow is only 24 hours. IBM has the knowledge, experience and products to implement an Internet solution today."

For more information please contact your
IBM Marketing Representative or
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Visit our Web site at
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See Supervox's warehouse in action at
http://www.supervox.com