



CBX Software simplifies sourcing and merchandising for Kmart



Snapshot

Customer: Kmart Australia

Retail Sector: Retail supermarket, soft and hard goods

Business Need: Kmart Australia wanted to improve business efficiency, information exchange and data accuracy to boost their sourcing business and expand their operations across the region

Solution: CBX Total Sourcing Management Platform implemented as a fully managed solution that delivers a complete sourcing, order, quote and PLM system

Result: The new solution reduced lead times by up to three weeks, simplified work processes and enabled accurate and real time data analysis and availability

Kmart Australia Ltd. is one of Australia's leading retailers offering consumers a range of low priced men's, women's and children's goods as well as entertainment, automotive, home and garden and other everyday products. The retailer has over 180 stores in Australia and New Zealand with offices in five countries and in four different time zones. Kmart also sells online and through a catalogue and sourcing efficiency is one of the key strengths of the company. With business expanding across the region, the company wanted to improve their purchasing and sourcing efficiency.

Challenge

A key challenge Kmart Australia faced was the lack of a central repository of information. That meant it could not easily compare vendors, QA and QC results, or rapidly access information regarding vendor accreditation, locations and profiles, and performance. Information on samples, suppliers, quotations and quality assurance was held in a variety of locations in different formats ranging from spreadsheets to paper and emails. Kmart's merchandising division required an effective solution to support global collaboration for information required in launching new product lines across various departments. At the same time Kmart wanted to reduce costs, ensure quality and shorten lead times for product launches. To stay competitive, Kmart realized they needed to update their entire IT infrastructure.

Solutions

Kmart turned to CBX Software to implement the new IT architecture. Hosted in Hong Kong, the CBX Total Sourcing Management Platform is cloud based and accessible globally with any web interface. With CBX, Kmart is able to quickly create projects using standardized templates prior to the buying trip to maximize the buyer's time. Multiple supplier quotations for each project can be received, supporting reduced costs and buyers can review and compare quotes via a quote summary sheet. Other features include real-time visibility of quality assurance information throughout the lifecycle of the product.

Result

The entire solution for Kmart was fully tested and completed on time. CBX provided a centralized sourcing location for all overseas sourcing information for the global operations. Telephone calls, emails, faxes, spreadsheets and paper print outs are minimized as information is available electronically through a web interface to all stakeholders. Communication between buyers, merchandisers and suppliers now occurs much faster and more accurately, shortening the lead times to launch new product lines, and improving shipment times and tracking. Data errors were dramatically reduced and the entire sourcing process became more efficient, accelerating time-to-market with ongoing cost savings achieved throughout the supply chain.

Key Benefits

- + Increased volume by 3.5x with almost no additional headcount
- + Standardized project and style templates to save time
- + Improved workflow processes, shipping and tracking times across functions
- + Reduced lead times to launch new products
- + Greater efficiency and accuracy of quotes and purchase orders
- + Cost and resource savings at multiple points in the supply chain
- + Improved internal and external communication and collaboration
- + Reduced data errors and multiple versions of documents



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Our collaboration with CBX Software has helped us reduce time-to-market and drive costs out of our supply chains, thereby helping us to deliver on-trend fashionable products at a great price to our customers.”

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**Michael Fagan,
Head of Operations,
Kmart Australia Ltd**

About CBX Software

CBX Software has simplified the business of global sourcing; transforming traditional methodologies into fast, friction free supply chains through our real-time cloud based Total Sourcing Management Platform (TSM). We help retailers, brands and manufacturers manage and empower the supply chain from plan to pay - one intelligent collaboration solution for an enterprise to plan, spec, source, assure quality, order, make, inspect, ship and pay. Over 20,000 users in more than 30 countries rely on CBX including: Target, Safeway, Kmart, Charming Shoppes and others.