



## Safeway streamlines operations with CBX Total Sourcing Management platform in the Cloud



### Snapshot

**Customer:** Safeway, Inc.

**Retail Sector:** Retail,  
Supermarket

**Business Need:** A solution which reduces lead times, improves product quality and compliance and results in higher margins and private label expansion

**Solution:** CBX Total Sourcing Management Platform in the Cloud with modules for supplier management, sourcing, order management, quality assurance, logistics and finance, and critical path management

**Result:** The solution has reduced lead times by up to 25%, by improving efficiency and scaling sourcing volume with only a marginal increase in headcount

*Safeway Inc. is the second largest supermarket chain in North America, with 1,678 stores and over US \$44 billion in revenue. Its United States retail operations are located principally in the Western U.S. and the Mid-Atlantic region, while Safeway's Canadian retail operations are located principally in Western Canada. Competition in the supermarket space is fierce with both general merchandise and dollar stores now operating in the same space, putting pressure on Safeway and leading the retailer to take measures to streamline their operations and improve margins.*

### Challenge

Despite being one of the largest retailers in North America, Safeway operates in a highly competitive arena where margins are under constant pressure and consumers are relentless in their demand for quality products at low prices. To meet this challenge, Safeway is focused on reducing costs, streamlining workflow processes and expanding their direct sourcing and private label programs. Among the process issues that Safeway faced were challenges with order planning and execution, including manual procedures and high error rates with orders. Supplier collaboration was also a big issue, with tendering and supplier onboarding not running efficiently. Safeway was challenged to meet high quality standards and compliance with regulations such as ISF 10+2. As a result, the retailer identified the need for a system that could manage many of these issues and also integrate with existing systems.

## Solutions

To address their ongoing challenges Safeway put out a tender to find a third party vendor with an appropriate solution. After reviewing a number of solutions, CBX Total Sourcing Management (TSM) Platform in the Cloud was selected, based on extensive experience supporting some of the world's leading supermarket and general merchandise chains such as Migros, ICA, Home Retail Group, Kmart and others. Safeway was also drawn to the latest generation of CBX Software offered as a SaaS version in the Cloud, with a number of features such as a social forum to support collaboration and advanced dashboard tools to enable management by exception. By implementing CBX, Safeway is able to streamline their end-to-end sourcing, order, logistics and finance processes. CBX also automates the tendering process and facilitates order planning and execution. The CBX Supplier Collaboration tool helps Safeway manage onboarding, quality assurance and inspections and also compliance with ISF 10+2 and other regulations.

## Result

By utilizing the CBX, Safeway will not need to invest in additional hardware, infrastructure and resources. Supplier management, quality control and assurance and compliance are easier to manage and improve with the CBX Supplier Collaboration tool. Safeway has achieved greater operational efficiency with a streamlined supply chain flow. Manual data input is reduced, bringing greater productivity to the workforce and less need for additional resources. Greater automation is achieved across a number of processes, such as tendering, supplier onboarding and quality assurance. As a result of these operational changes, Safeway is rapidly expanding their direct sourcing and range of private label, putting the retailer on track to improve their margins by up to 33%.

## Key Benefits

- + Streamlined sourcing, order, logistics and finance functions
- + Automation of tendering process and more efficient order planning
- + Improve supplier collaboration, quality assurance and compliance
- + Seamless integration with existing systems



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*We see our solution as a bridge and a harmonizer between the retail client and their supplier. Both sides benefit through having full visibility into all their information exchange, freeing up their time to focus on building their business.*

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**Michael Hung,**  
CEO,  
CBX Software

### 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.