MM Electrical Merchandising (MMEM)

Country:
Australia

Industry:
Electrical

B2BE Solutions:
EDI, Email, Fax, Print, Web Portal, Document Archiving

Business Objective

Improve e-Commerce initiatives within MMEM's supply chain with the primary motive to reduce costs for MMEM's suppliers, customers and themselves.

Business Benefits

MMEM developed a suite of solutions to automate supplier and customer interaction via EDI, automated a range of documents via emails and fax and providing access to the documents online for access by the supply chain.

The Company

MM Electrical Merchandising improve e-Commerce initiatives with a suite of solutions to automate supplier and customer interactions

MM Electrical Merchandising (MMEM), a leader in the Australian electrical wholesale market, chooses B2BE as their B2B Business Partner to assist with both their supply and buy side electronic integration.

MMEM operates from over 160 branch locations across Australia operating under the brand names of; AWM Electrical, D&W Electrical, TLE Electrical, Haymans Electrical and MM Electrical. Dedicated to servicing the electrical needs of domestic, commercial, industrial and government customers.

MMEM as a group partners with major key preferred suppliers locally and globally allowing them to pass on benefits to customers through competitive pricing and service levels. This gives MMEM the ability to provide their customers with the latest in a diversified range of products, global purchasing power and stronger strategic supply alliances with international manufacturers, as well as enabling MMEM to benefit from distribution efficiencies which the MMEM customer benefits from.

The Challenge

Trevor Batten the IT Manager at MMEM had a number of key objectives for implementing and improving the MMEM e-Commerce initiatives within its supply chain.

The primary motivator was to minimise the costs of conducting business for both their suppliers, customers and themselves through increased efficiency gains allowing the MMEM branch network to focus on selling rather than administration.

MMEM had also previously embarked on an e-Commerce strategy prior to Trevor's arrival that required a high degree of maintenance through a number of different connections using different protocols and document formats which was managed by a number of personnel and applications. Trevor indicated that this had increased both costs and complexity within the business and had diluted the benefits of e-Commerce and produced an environment that was not reliable and difficult to manage.

Trevor was also looking for a provider who would not only offer MMEM a streamlined e-Commerce platform but who would be able to provide value-add offerings in other areas of their supply chain such as automated faxing and emailing of documents, website design and e-Commerce outsourcing capabilities.

The Solution

B2BE were able to offer a cost effective solution that allowed MMEM to meet its required objectives. MMEM were able to meet customer's e-Commerce requirements, reduce costs and improve efficiencies through the move to a single point of entry and exit for all e-Commerce activity and offer other value add business processes such as automated facsimile transmission, email and B2C applications through the re-design of the MMEM website all adding to the MMEM e-Commerce offering and business process streamlining. Ultimately adding value to the MMEM customer offering.

1. Removing the complexities within the MMEM e-Commerce environment

When Trevor joined MMEM the number of e-Commerce applications and servers included up to seven servers and two to three applications.

The servers hosted and facilitated connections to a traditional VAN provider, direct FTP connections and an SMTP connection. Based on the trading partner, these documents were moved around the network and applications, translated, including data transposition prior to emailing the files into the MMEM branch network and uploading into the MMEM business system Unibis.

Trevor determined that the movement of files around the network provided opportunities for data loss as well as a high degree of server maintenance to maintain constant up times. Trevor also felt the email system in place for a number of years to transport the documents to the branch network was also fraught with potential issues.

Combining the Sonic MQ product and B2BE Trevor was able to reduce the number of servers from seven to one and improve reliability and the streamlining of document movement.

Sonic MQ handled the files transmission in a secure auditable manner between MMEM head office and the branch network. B2BE handled all data translation and connectivity to the outside world including in-flight translation and data transposition.

Trevor has now created an e-Commerce environment that is both stable and reliable and simple to expand to more customers and suppliers.

2. Reducing Cost

Trevor was also keen to reduce the current cost structures to support e-Commerce initiatives. The removal of not only applications such as Sterling's Gentran and the reduction of servers in the MMEM environment was not the only key driver. B2BE through its existing customer base and through its customer enablement program were able to provide MMEM with instant access to its network of MMEM suppliers and customers. Existing B2BE users were able to send and receive documents within a matter of days, reducing implementation time frames down dramatically and reducing branch administration levels.

MMEM within a period of three months removed all the other connections that MMEM maintained and were in a position to send and receive Purchase Orders and other documents such as Price Catalogues, Purchase Order Responses and Purchase Order Changes through B2BE. Likewise suppliers have been able to send Invoices electronically in return, today MMEM receive over 30% of their Invoices through B2BE substantially reducing their manual handling of documents. Suppliers have also seen a marked improvement in payment times.

MMEM are now looking to the future to continue to realise these advantages already gained by implementing e-Commerce with more suppliers and customers.
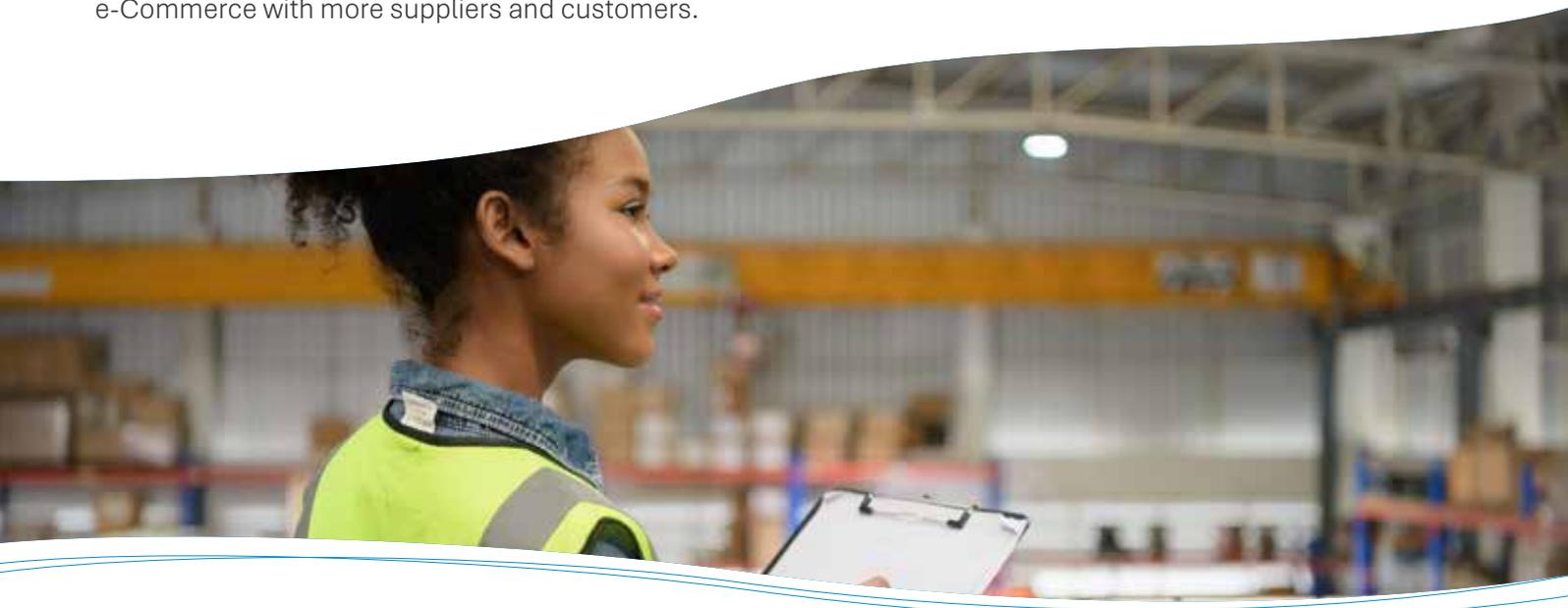
3. Adding Value through other e-Commerce Initiatives

Trevor was also interested in what B2BE could offer to remove administrative complexity from the branch network as well as add value through B2C type initiatives through a website.

B2BE were able to offer Trevor and MMEM the fax gateway and email solutions which enables MMEM to send files automatically in their Unibis format for either faxing or emailing to customers. For example, Trevor had a requirement to be able to send electronic Invoices and have the data formatted into a PDF file format emulating the MMEM current Invoice format which could be automatically generated from the Unibis system and emailed by

B2BE offering a full end to end turn key solution.

Trevor was also looking to automate all outbound Purchase Orders to suppliers via facsimile, B2BE have been able to provide solutions in both areas and MMEM are currently looking to grow the document distribution through these options to reduce branch administration and paper handling requirements, all reducing costs.

B2BE were also able to re-design the MMEM website to include value added offerings both in terms of content management which enables MMEM to maintain their website keeping the offering fresh. B2BE also added value by driving MMEM customers through the site by offering specials and account management facilities which can be maintained by the MMEM branches. Overall through B2BE and Trevor's foresight MMEM has managed to reduce overall costs of conducting business through e-based initiatives and integrated solutions that are both easy to manage and easily expandable for future requirements!