LEDERUNDSCHUH©

> **"** *The logistics IT platform* **AX4** *was a* **game-changer***, allowing us to* **standardize our communications***. Looking back, we can say that we achieved all our objectives.*

Maximilian Kummerer
Director Supply Chain, Leder & Schuh AG

The Leder & Schuh Group, based in Graz (Austria), is among Europe's largest shoe retailers. The company has some 3,800 employees at over 360 locations and is home to such familiar brands as Corti, Dominici, Humanic, Jello, Stiefelkönig, and Shoe 4 You. The Leder & Schuh Group is active in international markets, supplying retail stores in 10 countries.

SCAN & LEARN:
Simply scan the code to learn more about the AX4 solution implemented at Leder & Schuh.

Solid foundation for successful integration of logistics service providers: the AX4 portal solution

To accompany its international expansion, Leder & Schuh needs an SCM solution that simplifies communications and links all service provider partners to the company in a single network. The unique challenge is to find a platform that can integrate a procurement chain consisting of 500 suppliers, 10 logistics service providers, 300 retail sites, and 8 distribution centers across Europe. The aim is to create a network that facilitates the exchange of order data with suppliers, shares shipping and tracking data, generates proactive alerts in the event of any deviations from the normal workflow, and also allows the company to grow without additional logistics costs.

The company decides to go with the logistics IT platform AX4. Leder & Schuh joins with Panalpina World Transport to link a global supply chain through AX4. The cloud-based solution makes it possible to create a network that allows the integration of all partners internationally and optimizes the order and transport processes. Thanks to the "control tower" feature, any deviations in the supply chain can immediately be identified and fixed.

Leder & Schuh

SUCCESS STORY

The logistics IT platform AX4 delivers totally unprecedented visibility: Leder & Schuh is now able to monitor the movements of its goods in real time and see where they are at any given moment.

The company was also able to achieve better performance in its supply chain and processes. Bottom line: The improved supply chain was welcomed by everyone involved in the project: by the suppliers, by the service providers, and by Leder & Schuh itself.

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THE CHALLENGE

All of Leder & Schuh's suppliers, logistics service providers, and internal departments must be integrated quickly and easily. The IT system architecture needs to be multilingual and not overly complex. The aim is to avoid the need to install any additional software locally. Leder & Schuh uses the SAP software suite to manage its business processes. The SAP system needs to be connected to the future logistics platform. The solution also needs to satisfy specific requirements of the clothing industry. It's also important that the system be able to accommodate all Incoterms and supply chain scenarios.

THE SOLUTION

The cloud-based solution AX4 makes it possible to integrate partners and share data and notifications quickly. Leder & Schuh transmits order data from the SAP system to AX4. The order data is forwarded to the suppliers, who then confirm the orders and generate delivery notes. Both Leder & Schuh and the logistics service provider assigned to pickup are notified.

Logistics service providers are integrated into the data flow early on. This allows them to plan their pickups better and leverage container consolidation effects ("Buyer's Consolidation"), replacing less-than-container loads with full-container loads. Constant synchronization of the physical flow of goods with the electronic flow of information throughout the process ensures that the data is of high quality. The logistics service providers report tracking data back to Leder & Schuh during transport. AX4 uses this data to automatically monitor defined milestones.

The supply chain event management system ensures that the entire process, from the initial order to the final delivery, is automatically checked by AX4. If any discrepancies are detected, everyone involved in the process is notified.

THE RESULT

Hundreds of thousands of purchase order items are handled each year by AX4. More than 240,000 events, including email process updates and email alerts of deviations, streamline communications. Currently, over 1,800 users in the Leder & Schuh network are working with the AX4 solution. The result is that the shoe company can now supply its retail stores more quickly, break down costs to the article level, and reduce the costs of transports from Asia, where well over half the company's shoes are manufactured. Leder & Schuh was able to increase the fill level of its containers by more than 15 percent and almost entirely eliminate less-than-container loads.