



COORDINATED LOGISTICS AND UNBEATABLE CUSTOMER SERVICE WITH IFS APPLICATIONS™

Traditionally, it has been difficult for third-party logistics companies like Lagena to find efficient systems support for their very complex information flows. However, IFS Applications™ is enabling Lagena to meet this challenge. Lagena now coordinates the management of its logistics network with a view to the entire process. At the same time, it can facilitate inventory planning for individual customers by providing them with continuous information about the status of their products.

The market for alcoholic beverages is highly sensitive to trends and seasons, which puts tough demands on suppliers if they want their operations to be profitable. All processes, from transport to storage and delivery, must be as efficient as possible.

As a provider of third-party logistics, Lagena takes responsibility for all of these processes for their customers—annually, some 75 million liters of beverages from every corner of the globe. So it's easy to understand that IT support that efficiently coordinates the logistics and warehouse processes is business-critical. "Even if all our customers are competing with each other to sell their products in the government-monopoly stores (called Systembolaget), it's essential that we pay attention to the entire flow," says Lars Andersson, logistics manager at Lagena.

INDIVIDUALIZED INFORMATION

But it isn't merely the physical handling of products that Lagena wants to master. To further increase its competitiveness, the company has decided to lead the field in continuously providing customers with information about their products throughout the distribution process. "Many of our customers want to minimize costs by creating demand-based inventory," says Andersson. "To manage this, you need IT support that ensures rapid access to accurate information about processes such as inventory management, orders and deliveries. That's why we wanted business applications that wouldn't just help us coordinate the physical distribution of products, but that would also give our customers easy, secure access to constantly updated information about their products."

IFS WON NEW CONTRACT

An older version of IFS Applications had been in use at Lagena since 1995. Although the company was satisfied with the application, it wanted to expand the functionality and implement a more modern platform. So it initiated a procurement process in 2004.

ABOUT LAGENA

Sweden's membership of the E.U. in 1995 changed the conditions for distributing alcoholic beverages in the country. Among other things, the change meant that the market for distribution to Systembolaget (the government-owned monopoly) was open to competition. One result of this change was the foundation of Lagena Distribution—a third-party logistics provider that distributes beverages to Systembolaget and other Nordic distributors. Lagena annually distributes 75 million liters of beverages to 400 Systembolaget stores, 2 500 restaurants and 100 wholesalers in the Nordic region.



After evaluating alternate providers, Lagena decided to retain IFS as its enterprise applications supplier. The new version of IFS Applications, live since January 2005, supports Lagena in its strategy of taking total control of all its processes, from invoicing and inventory management to statistics and forecast management. “We can now efficiently handle the complete distribution flow for each of our 120 customers—a level of coordination that is critical for a company like us, whose entire business is built on providing logistics services,” explains Andersson.

CUSTOMER INFORMATION VIA THE INTERNET

By linking its own, in-house-developed web application to IFS Applications, Lagena can ensure that customers get quick and easy access to information about the inventory status and logistics related to their products—whether it’s a small company importing wine from Chile or a major German beer supplier. The information is accessed via the web, and security is assured by providing customers with their own login codes, among other things. “With this functionality, our customers can optimize production and stocks, which ultimately enables them to constrain costs,” says Andersson.

SUCCESSFUL IMPLEMENTATION

Thanks to the close collaboration between customer and vendor, IFS and Lagena managed to implement the applications on time and to budget. With IFS Applications Lagena now has a stable foundation for running its business efficiently. And because the applications are component-based, it’s easy to add new functionality as new needs arise. “It’s important that we’re not forced to adapt to the system, rather that the standard version of IFS Applications is already adapted to the way we work,” says Andersson.

UNBEATABLE CUSTOMER SERVICE

If Lagena’s customers require more information than they can get via the web interface, they can always contact the dedicated customer team that Lagena has formed for each customer. “This solution makes us more competitive, and the rapid access to information it provides enables us to offer unbeatable customer service,” concludes Andersson.

BENEFITS

- Efficient handling of the complete distribution flows for all its customers
- Full control of all processes from forecast to invoicing
- Rapid, customized information about product status and availability
- Greater competitive edge and economies of scale through efficient coordination of the physical flow of goods



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Lars Andersson, Logistics Manager at Lagena