

Management and operations

[Business](#), [Management](#)



After the mid-2000s, Lie & Fun has actually become a global supply chain manager. Within the worldwide, he optimizes the supply chain of every order from the European and American customers, thereby creating a most cost-effective supply chain, to provide customers with cost-competitive products and earn maximum marginal profit.

Lie & Fun 's services provided to customers, In addition to product- centric responsible for the work, including market research, product design and development, raw materials procurement, choice of supplier and production monitoring, but also a series of import and export regulatory clearance and logistics arrangements, and financing for potential suppliers of raw materials, factories, wholesale importers and retailers in the supply chain who occupy a key position, so that companies from the supply side and demand side of the supply chain are both able to operate optimally.

From practical experience, Lie & Fun summed up the following three aspects:

(1) Supply chain includes all kinds of business which starts from the customer needs, from product design through to the supply of raw materials, manufacturing, wholesale, retail and other processes. During which maybe after shipping and warehousing, delivering the product to the final users. (2) Participants in supply chain include corporate and departmental units within the enterprise.

The supply chain is the interaction and relationships between these units. And enterprises should pay close collaboration within the enterprise. (3) The supply chain business processes and operations can be analyzed from four aspects: workflow, physical flow, Information flow and funds flow.

Information flow driven workflow, workflow determines physical flow, physical flow feedback funds flow. These reflect the understanding of the supply chain from Lie ; Fun.

In my observation, Lie ; Fungus supply chain management model, at least have some of the following basic features: First, actively expand global sourcing distribution networks, optimize product supply Hahn management, and achieve close cooperation of enterprises on supply chain In an increasingly competitive international market environment, Lie ; Fun attaches great importance to " the soft three dollars in retail price" : that is the retail price off commodity in the U. S. s \$ 4, its production cost is only \$ 1, which has been very difficult to be further reduced, but another \$ 3 is the value of all links of the supply chain, including product design, raw material procurement, logistics and transportation, wholesale and retail, information and management, etc. , in this area here are many opportunities for companies to save corporate profit. The wisdom of traditional market is to examine how these products worth \$ 4 sell more, with higher selling price. But the best way is to start from value-added \$ 3 from supply chain.

Answer the question what was one way the passage of the factory acts (1844–1847) affected labor?

As long as prices remain unchanged, with the revenues from the supply chain, you can directly increase the economic profit. This is just the economic philosophy of Fun brothers. Therefore, Lie ; Fun actively expand global sourcing distribution network, through improving supply chain management to earn this " the soft three dollars in detail price". In order to

develop the most optimized supply chain for the customers within the whole world. Lie ; Fun attaches great importance to close cooperation of the enterprises on each node of the supply chain.

Lie ; Fun, through its extensive global sourcing network, maintain long-term close cooperation with a variety of different types of manufacturers, with who establish a relationship of mutual trust. Lie ; Fun bring a certain number of orders at reasonable prices for the manufacturer in global sourcing network at reasonable prices, at the same time, manufacturers are willing to look capacity, rapid production and various production details to coordinate with Lie ; Fun, and provide the highest elasticity of production so that Lie ; Fun will make an tailor-made optimized supply chain for customers.

The thought of Lie ; Fun supply chain management is just to emphasize the core competence of enterprises optimum combination of factors. Because of limited resources, enterprises are very difficult to gain a competitive advantage in a variety of different industries and areas; it must concentrate its resources on a particular area of expertise, that is, the core equines, so that they can obtain a position on the supply chain.

Having excellent competitiveness on its core business is the premise to make partners be willing to cooperate with each other. Supply chain management emphasized that enterprises according to their core business capabilities in the supply chain plays a special and irreplaceable role, which is the only way that they will not be easily replaced by other companies. At the same time, put the non-core business operations to outsourcing model to

other more specialized enterprises, so that the whole supply chain will play greater effect.

If the enterprise is lack of their core business or do not understand what their core business is, or divide their resources to the business at no advantage, that would be difficult for them to locate a clear position in the supply chain, and also they will be lack of the resources to continue to strengthen its associated core competencies, so that in the supply chain the position will be easy replaced by other companies.

The company's core business is supported by a number of core competencies, and the core competitiveness of enterprises needs to be maintained order production reflects the situation of individual enterprises division of labor according to their core competitiveness: split the supply chain, allowing each business to focus on its expertise in one or several sectors or production processes, through effective transportation, make the production activities be able to be conferred in every corner of the world, linked into a competitive supply chain.

Second, establish a complete supply chain organization and management structure from the procurement, distribution to retail, pay great attention and continue to strengthen the company's core business and core competitiveness. Mid-sass, Lie ; Fungus supply chain management expands from procurement to the retail trade sectors. After the acquisition of Inchoate in sass in Asia Pacific marketing and related businesses, Lie ; Fungus supply chain management further expand into the distribution field,

thus forming an entire supply chain management from the procurement, distribution to retail.

In the entire supply chain management, three major components of the Lie ; Fun Group - Lie ; Fun Limited, Integrated Distribution Services Group, as well, including CRA, the ELF, are respectively in the product supply chain's upstream, midstream and downstream, and provide customers with services with their competitive core business and the outsourcing of non-core businesses.

Upstream in the supply chain paragraphs listed companies - Lie & Fun Trading, the main business of whom is purchasing goods from China and other Asian developing countries to sale to distributors and retailers in Europe and America customers. For a long time, Lie & Fun has been focusing on its core business - trade procurement, including orders, selecting manufacturers and suppliers, designing and developing products according to customer requirements, production planning, procurement of raw materials, production and quality assurance monitoring, etc. And the production of non-core businesses, the producing and actual transport is outsourced to the ability of factories and freight forwarders. As the supply chain upstream passage and organizational expert, Lie & Fun Trading With its core competencies, with a variety of different types of manufacturers and suppliers to establish a close working relationship, form a highly specialized and cost-effective supply chain for customers to provide the most cost-competitive products and services.

In the supply chain midstream paragraph IDS, primarily focused on distribution's agents and wholesale business, including marketing, branding agency, category management, logistics services, expansion of sales channels and management. Different from Lie ; Fun Trading who does the Agency Procurement for foreign clients, IDS as a regional distributor, is the bridge between brand manufacturers and retailers.

IDS is responsible for promoting the manufacturer's product or brand owners, including food, furniture, supplies and medical drugs, with its main sales markets in the Asia Pacific region, customers throughout the region hypermarkets, supermarkets, convenience stores, small markets, home-style shops, hospitals, clinics, hierarchies, traditional pharmacies and dental clinics. In this supply chain, IDS's chain management, according to the supplier needs to provide different levels of service.

In order to provide the service preferably, IDS has been committed to the expansion of sales network, open up sales channels for the product. In the supply chain downstream passage ELF, owns Convenience Retail Asia and Trinity CRA chain clothing stores and Toys " R" Us, whose core business is close to the consumer market, the needs of target customers to provide products and services, establish retail outlets brand image, improve customer sales and service, optimize Rockford, physical flow, funds flow and information flow, and thus minimize inventory and improve efficiency.

In this supply chain, customer-centric retail stores provide products and services for the needs of customers; at meanwhile work closely with suppliers in various processes complement each other to improve both the

efficiency and work performance, and reduce costs for the entire supply chain to create efficiency.

For example, K convenience store cooperate with suppliers, through the network of interconnected information systems, share information, so that suppliers can accurately grasp the front line of sales, to make arrangements for the production and distribution, improve replenishment speed, speed up circulation of goods. Third, establish a customer-centric, market demand as the driving force of the pull supply chain model to provide "one-stop" value-added services. Currently, there are two different international supply chain operations ways: one is called "push".

The other one is called "pull". "Push" type of supply chain operations consider the manufacturers as the core approach, and manufacturers purchase raw materials from suppliers, production came out into the users step by step from strictures. In this mode of operation, distributors and retailers are in a position of passive acceptance, the integration between the various enterprises are at a low level. The enterprises usually used the method of improving safety stock to cope with changes in market demand.

For the "pull" supply chain mode, its driving force generated at the end-user, the users' demand drive the upstream production behavior, and then pull the whole supply chain. In this mode of operation, the supply chain integration is at a high level. Rapid exchange of information, and the low amount of inventory enables rapid response to the market. Lie & Fungus supply chain management is the pull mode of operation of the supply chain, customer-centric, considering market demand as the driving force.

Lie & Fungus customers are mainly European and American market retailers, these customers are very understanding of the needs of the consumer market in Europe and America, and they know how to sell products and services to customers, however, they also know it's uneconomical to manage production issues, so the agency entrusted Lie ; Fun, requiring Lie ; Fun help them choose manufacturers and suppliers, design the entire reduction plans and processes, on behalf monitor the quality and production time, handling a wide variety of trivial matters, until the product is shipped out.

Lie ; Fungus supply chain management emphasizes the true customer-oriented, he divide responsible for large customers to provide one to one personal service; small customers will also be fully served by special team, who will meet the individual and diverse needs of customers. According to customer's needs, from procurement services, Lie & Fun gradually develop its range of value-added services, and acts as simple agents, value-added resellers, trade suppliers, manufacturers, and other ritual characters.

As a simple sourcing agent, Lie & Fun will choose the right supplier for the customer based on customer's demand, providing customers with the design, implementation of procurement plans, but the specific contract will be signed directly from customers and suppliers, from which Lie ; Fun gets commission.

As a value-added reseller and trade suppliers, in addition to implementation of the procurement and production planning, Lie ; Fun will also provide customers with a range of additional value-added services, which include: engaging in various market rivers to understand the needs of consumers, to

provide customers with information on the main market trends; research and develop the raw materials, collect the latest information of raw materials for the customers; according to the latest market trends, design and develop the products to meet market demand; according to customer demand for raw materials and supply capacity for different regions paired with customers to select the best sourcing countries and regions, performed without boundaries production, to achieve value-added products of globalization; monitoring procurement, shipping and configuring raw materials and arts to the factory; providing technical support to ensure the product quality and various production processes can follow the customer's production requirements during the production process; endeavor to achieve a rapid response of the production, not only monitor the supply of the main raw materials, but also strategically and timely manage inventory; plan assembly transportation and shipping delivery service. As trade suppliers, Lie & Fun will contract directly with customers, providing customers with the final product, so that customers do not need to deal with suppliers themselves. In this mode, the Lie & Fun get profit of the product instead of commission.

The typical trade supplier is Jinn Bali and Wright's trading companies who implement virtual mode of production. Pull systems require fast response, otherwise it will be lack of time to meet consumer demand, or when there's change in consumers' demand, the products will become obsolete inventory. Therefore, the pull system needs to use the high efficiency of information systems to transfer demand information fast, and feedback the information fast to the production and distribution, which is the only way to achieve

customer-centric supply. Fourth, use process management and information systems to optimize the supply Supply chain management is itself a flow management, including work flow, physical flow, capital flow and information flow management.

It is integrated by the work flow, physical flow, capital flow and information flow and to consider and optimize comprehensive of these four aspects. Among the four aspects workflow is the subject, but it needs physical flow, funds flow, information flows cooperation. The level of flow management, related to the ability to provide our customers with the most nominative prices and the best quality product service issues, related to the company's ability to maximize earning " soft three dollars" issue. Therefore, Lie & Fungus supply chain management, attaches great importance to the design, implementation, review and continuous improvement of the flow management.

Physical flow includes the entire transportation process, warehouse management, distribution and other packaging received treatment delivery process, and its goal is to optimize the use of modern information systems to shorten the lead time of supply, reduce inventory and overstock products, enhance the accuracy of transport f goods, improve cost competitiveness. To achieve physical flow optimization, IDS has been committed to the development of third-party logistics, and constructed hardware and software support services, including advanced network of logistics centers, information systems and management expertise, and provide customers packaging, roll- standard, the combination of sales and other value-added

services, formed its core competitiveness of logistics and transport in the Asia Pacific region. Information flow is the process of communication, and also the foundation that work flow, physical flow, funds flow can run smoothly.

Information flow in addition to assisting the operation of the entire process, but also allows the managers know the actual situation of each order through information system anytime, anywhere. Despite the ever-changing customers and orders, but the program has been the same. Efficient process design, make the enterprise achieve integrated management from the top down. Companies of Lie & Fun Group attach great importance to the collection, processing and use of market information. In addition to statistical sales data, marketing staff collect the first-hand market information in the sales. As the global supply chain coordination and organization experts, Lie & Fun has a complete set of IT systems.

Using the unified IT information system for the order entry, delivery and collection work, Lie & Fun process orders methodically, ensured consistent service level and efficiency. Since the mid-90s, Lie & Fun stepped up investment in the Internet business, and gradually build up a less than extranet as the backbone of the information system architecture to maintain close ties to integrates internal and external information between various departments within the Lie & Fun, and Lie & Fun with their business partners, including customers, suppliers, manufacturers, distributors, logistics companies, and government, to eliminate barriers created from differences

due to the time and space, thereby enhancing the company's supply chain management level.

Through this information system, Lie ; Fun can achieve three interconnected: first, interconnect 80 offices and hundreds of customers in company's capital, personnel, products and business opportunities interconnection, when opportunities arise, Lie & Fun can quickly mobile the required product data, arrange procurement, production, distribution and financing, and make responding manpower deployment; third, with customers and suppliers business flow, logistics and information flow network, so that Lie & Fun can provide customers with " one-stop" service. In this world, each purchase will be no borders between countries, while Lie & Fun has a unique model of supply chain management in a " flat world". Depending on this effective " supply chain management", Lie & Fun provides customers with products faster, more accurate, more flexible, and more cost-effectively than the competitors, and maximize the return from the supply chain.