

# Mod by: the marketing management office

Business



Company: EXE Technologies Customer: MOD Submitted by: The Marketing Management Office Date: October 2000

The military's operational readiness and its ability to deliver decisive tactical results at a moment's notice depends as much on the integrity and cost-effectiveness of its logistical support as it does on frontline hardware. In the UK today, the rigorous overhaul of the armed services' complex, multi-source supply chain is being accompanied by the substantial rationalisation of the MOD's vast storage estates across the UK. Helping them find the best way of accomplishing this task is EXE Technologies, one of the world's leading supply chain execution software providers, and suppliers of the recently launched EXceed™ Optimize product – which is already achieving impressive results as the MOD's rationalisation gathers momentum.

As the name suggests, the MOD are using Optimize to help define their most efficient warehousing operations. Users can work with current, and future, requirements to evaluate warehouse operations and reconfigure for optimum performance. The system allows the MOD to run 'what if' scenarios at will and keep warehouse operations at peak performance even when requirements change – important with over 70 warehouses under system control and more to come. Colonel Harry O'Hare, project senior user, is enthusiastic about the results already being achieved as a direct result of the deployment of Optimize, just a few months in to the project." Defence Logistics – through the DSDA (Defence Storage and Distribution Agency) – is currently in the process of converging the three Services' supply chains and the associated distribution activities. As part of that process we have the

opportunity to rationalise our vast storage estate – by as much as 20-30 percent if we are to provide meaningful savings for Defence.

““ The use of the latest information technology is critical to this process and Optimize has been very important in helping us create the efficiencies which will make it possible to re-engineer services and dispose of a number of currently active storage sites.” Colonel O’Hare said that the efficiencies of the EXceed Optimize products in fully operational working trials had met and exceeded the DLO’s expectations.” We now fully expect to attain a favourable return on investment within two years from implementation – a very satisfactory result even by commercial standards. Our experience is that the system can be leveraged to manage changes in the business and can be deployed, staff educated and results achieved, very quickly indeed.” EXceed Optimize is a sophisticated software product which provides an all-encompassing, real-time view of operational aspects within a particular warehouse or distribution centre.

Functions include the evaluation and application of alternate product placement, layout and staffing strategies. Although Optimize can be used as a stand-alone tool, a key benefit of the software is that it integrates seamlessly with virtually any Warehouse Management System on the market. In this case however, O’Hare is using it alongside the BODMS (Base Ordnance Depot Management System) developed also by EXE. This penetrating, up-to-the-minute, cross-sectional view of all activities means that new strategies can be instantly communicated to the warehouse floor from Optimize via the WMS. The software directs the WMS in real time, taking into account the number of staff and resources available, so that

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reconfigurations are implemented without compromising the mainstream operation.

There are four main areas in which the software will be used:

- Greenfield site planning using known or data modelled product files
- Strategic planning of future Distribution Centre and warehouse utilisation
- ‘ On the fly’ tactical optimisation of day to day operations
- Budget planning for future projects / responsibilities as the DLO’s remit grows

Mike Kason, EXE’s product manager for Optimize in Europe, commented “ the software has a multifunctional ability to give any business the tools to look at current and future resource use and practice. Optimize offers a superior solution to other packages on the market thanks to its ability to provide true cost-of-change recommendations at SKU, location and activity levels.” EXE Technologies has been at the vanguard of MOD’s rationalisation and supply chain optimisation initiative since 1996, deploying many solutions for the DLO. In fact, EXE’s EXceed 2000 Warehouse Management Software helped create the RAF’s WTMS (Warehouse and Transport Management System), and the Army’s BODMS (Base Ordnance Depot Management System). Colonel O’Hare said that the Defence Logistics Organisation (DLO) has cemented a strong relationship with EXE – “ they understand our business and were successful in developing the BODMS system, to budget and in time.

This can sometimes be difficult to achieve in the civil service environment. We are very pleased with the relationship.” EXE’s Mike Kason summarises the benefits of the deal; “ speed of decision making and execution is key in today’s business environment – regardless of activity. Optimize gives organisations large and small the ability to make change decisions quickly and also review the cost benefit of any actions prior to action.”