



Dear client, and all those interested in logistics,

The stability of a supply chain is dependent on smooth interaction between all parties involved. The purpose of 'Supply Chain Execution' (SCE) is to provide optimum coordination of all tasks performed by the various supply chain partners, whilst constantly taking into account changes in framework conditions, so that every link in the chain is equally able to bear the load. As nothing is more constant than change itself, one major challenge lies in ensuring that the ability of the supply chain to function correctly is maintained at a consistently high level, regardless of any shift in circumstances. In identifying benchmarks for stability and adaptability in Supply Chain Execution, we need look no further than some of the applications currently deployed in the Fast Moving Consumer Goods (FMCG) sector. Because in no other area of the economy is the focus so much on speed and flexibility as in the production and marketing of fast-moving consumer goods. We are justifiably proud of the impact our solutions have made in everyday use, securing 'Supply Chain Excellence' for global leaders in consumer goods manufacture and regularly demonstrating their adaptability under testing conditions.

In our ongoing efforts to achieve Supply Chain Excellence, we have identified six key drivers:

- seamless **connectivity** of IT systems on the basis of a uniform, open platform;

- **collaboration** on the basis of uniform information as well as smooth integration of processes;
- overall **optimization** of the supply chain that takes into account all influencing factors;
- continuous **execution** of the assignment, right through to the reporting stage;
- real-time **visibility** for all parties involved and
- **flexibility** to adapt to changed circumstances.

None of the six drivers for Supply Chain Excellence is more important than any other but rather a component part of an indivisible whole that maintains operational capability at a high level, whilst keeping process and transport costs low. In this newsletter, we examine in greater depth how these drivers seamlessly interact in the inet solution to supply excellent service – particularly though not exclusively in the FMCG sector – with special reference to Kraft Foods and Unilever. In these challenging times, we want to lay down a marker to show how we can map the way into the future in a flexible fashion whilst retaining quality assurance. I invite you to join us.

Best wishes

Oswald Werle

Contents

IT as a motor for adaptability	
<i>Speed and flexibility</i>	Page 2
Fact box: <i>Dock Management</i>	Page 3

Customer announcement	
<i>Kraft Foods, Unilever</i>	Page 3-4
Event	
<i>State-of-the art Transport Management</i>	Page 4

«IT AS A MOTOR FOR ADAPTABILITY»

Speed and flexibility

In the modern FMCG sector, what really matters is speed and flexibility. Information technology must not only keep up with developments, it must also be a motor for adaptability. It is particularly in the area of logistics that IT takes center stage in many of the initiatives for optimization, because intelligent IT is a prerequisite for the efficient, secure and dependable supply of goods to the market. In order to guarantee the reliable delivery of goods, even when the range is great, when seasonal demand fluctuates and when fashions seem to be changing faster and faster, the supply chain must not be allowed to become a limiting factor in the process chain. Successful companies avoid out-of-stock situations by ensuring that all supply chain partners have effective IT links with each other. In this way, the flow of information can be just as smooth as the flow of goods. In such contexts, IT systems for Supply Chain Execution excel operationally by providing stability in the transport network, quality and reliability in the delivery of goods, agility and flexibility in transport management, cost transparency and efficiency, as well as economic sustainability.

Supply Chain Excellence in business stems from the smooth interaction between all supply chain partners. The inet-logistics team set out to organize and design this in the best possible way when they developed their solution for Supply Chain Execution, at the heart of which is a highly effective transport management system. This is distinguished by its capacity to focus on central tasks within Supply Chain Execution, by the high level of versatility it offers to all supply chain partners and by the way in which it ensures smooth interaction on the ba-

sis of uniform information and coordinated processes.



Focusing

As a comprehensive Supply Chain Execution solution, the inet product performs all relevant tasks involved in the management of complex transport networks, both inbound and outbound. These comprise transport management, freight cost management, container management and asset monitoring. Supplementary modules and functions for strategic network planning, freight purchasing, customs and analyses can be seamlessly integrated. In this way, the solution is ideal especially (but not exclusively) for companies operating in the FMCG sector and their supply chain partners, providing them with a robust basis for flexible IT-supported collaboration.

A perfect fit

The inet software offers all partners the functionality that they require for rapid and flexible transport planning, control and monitoring. This makes the job of everyone involved in the



process far easier. The many years of experience accumulated by inet-logistics are immediately apparent in the quality of the company's software.

«Fact box»

Avoiding chaos at the loading ramps with an integrated dock management

inet provides an all-round solution for optimizing Supply Chain Execution. It ensures the smooth operation of the supply chain, both at macro and micro level. After all, even the most comprehensive transport strategy taking into account all factors, including delivery schedules, routes, freight costs etc, is of little avail unless it is strictly implemented. For example, at the loading ramp where failure to synchronize the flow of information and material between supply chain partners can lead to prolonged waits, ad hoc measures and ultimately to increased freight costs.

To avoid chaos at the ramp, the solution from **inet** provides **integrated dock management**:

- This online solution synchronizes the collaboration between consignor/consignee on the one hand and logistics provider on the other at the loading ramp.
- By processing data in real-time, the inet solution ensures that loading times at a suitable ramp can be booked and that all parties can be informed in good time via the integration platform, even when there are last-minute changes in the overall transport plan. This guarantees the efficient loading and unloading of goods.
- In this way, the overbooking of loading ramps, the absence of goods or necessary documents and a lack of organization for drivers at the depot can be avoided.
- Costly truck waiting times and the expense of ad hoc trouble-shooting no longer arise.

As a result, all supply chain partners benefit from more efficient transport, greater transparency and reduced freight costs.

Collaboration

The modules of the inet solution are finely coordinated. This ensures timely and role-specific interaction between all parties that is free of media interruption or redundancy. Individual transport, information and IT structures are transformed into an efficient, high-performance virtual package offering maximum transparency in all matters concerning inventory and movement data.

These key factors for success ensure that our customers can derive a competitive edge from their supply chains. The exacting standards designed into the system and the use of ultra-modern IT structures guarantee a high level of adaptability and rapid response to change, whilst safeguarding process reliability. This means that our customers are well equipped to face the challenges of tomorrow.

«CUSTOMER ANNOUNCEMENT»



Kraft Foods continue to develop partnership

➔ Kraft Foods International

Kraft Foods International has teamed up with inet-logistics to streamline logistical business processes for its European subsidiaries. In order to achieve this, the areas of transport, freight cost and container management have been optimized.

In all European national divisions of Kraft Foods, transport scheduling and load building for all in-bound transports, including subsequent order

placement with the service provider, have been effected centrally by the logistics-server® since the start of 2008. Freight cost management, which is an integral component of transport management, then uses the transport data and predefined freight rates to determine the ensuing shipping costs. The entire process of billing control is conducted via the logistics-server®, likewise any interactive claims against associated service providers. Standardized interfaces support the electronic entry of delivery notes into the Kraft Foods ERP systems. Within the context of the project, the inet solution for container management was also implemented at 100 Kraft Foods locations in 20 European countries.



Unilever

inet-logistics realizes web-based transport management system for Unilever Supply Chain Company AG

From its headquarters in Schaffhausen (Switzerland), the Unilever Supply Chain Company AG manages the Europe-wide supply chain for the consumer goods giant.

Using logistics-server® as a basis, the internal transport requirements of around 400 Unilever sites can be planned, controlled and monitored. The integrated, collaborative solution platform from inet-logistics provides for a high degree of

automation, especially in communications with numerous transport providers.

«More news»

<http://www.inet-logistics.com/en/news.html>

«EVENT»



State-of-the-art Transport Management

September 23, 2009, Munich: 10am - 4pm

Joint event organized by partner companies inet-logistics and 4flow

Agenda

- Keynote lecture on the subject
- Customer presentation: Magna (Mr. Dachs-Wiesinger)
- Customer presentation: Kraft Foods (Mr. Markus Ganahl)
- Functionality and benefits of a fully integrated transport management system

«Further events»

<http://www.inet-logistics.com/en/events.html>