

Nanchu undergoes digital transformation with intelligent ERP



南储仓储管理集团有限公司
NANCHU MANAGEMENT GROUP

Company profile

Nanchu Management Group (Nanchu) is a comprehensive logistics service provider integrating various services such as warehousing, commodity financing management, business information, transportation (highway, railway and waterway) and cold-chain logistics. The group is headquartered in Foshan, the center of the Pearl River Delta Economic Zone, with nearly 30 subsidiaries all over China. The group is also the designated delivery warehouse for Shanghai Futures Exchange and Dalian Commodity Exchange.

Challenges

The connection between traditional manual work and simple automated systems is not seamless, while the data kept across different systems and applications, such as sales and distribution, logistics, customer management and supply chain management. The decentralized data management has resulted in missing data updates and repetitive records. It is necessary for the logistics industry players to upgrade its IT infrastructure and initiate digital transformation to stay competitive.

Challenges

- No self-services platform and lack of personnel for execution
- Failed to collect and record products, clients and warehousing information
- Unable to predict and control project cycle
- Needed to standardize stock-in and stock-out procedure

Solutions

- SAP ERP core functions including EWM, TMS, SD/MM and FICO

Value created

- Established a unified, integrated and centralized information platform
- End-to-end system to streamline the processes from order to delivery and synchronize with financial settlement
- Real-time reports enhance timeliness and accuracy of business decisions
- Seamless migration to new platform with zero transition period, greatly improved efficiency



Building an integrated commodity delivery platform

To cope with the business growth, Nanchu aimed to create a commodity operations management platform that provides warehousing, delivery and financial settlement services. The platform is designed for the manufacturers and sellers from the fast moving consumer goods industry, connecting the upstream and downstream customers from sales to delivery, which involve distributors, supermarkets, retail chain stores and individual shops covering multiple brands like P&G, WangLaoJi, and EverGrande Spring etc.

The new platform integrates the process and information flow of warehousing, logistics delivery, transportation, sales orders and financial settlement. It optimizes and unifies the internal processes and different businesses within Nanchu, which enabled Nanchu to boost profits, connect upstream and downstream customers coherently, and increase market share.

Digital transformation enabled intelligent operations

With rich industry knowledge and experience, SAP provides Business All-in-One solution tailored to the warehousing and logistics industry. Through different modules like EWM, TMS, SD/MM and FICO, the solutions help build a commodity delivery platform for enterprises based on the best practices. With the highly integrated intelligent platform to consolidate the data on financing, warehousing, logistics, delivery, upstream and downstream customers'

information centrally, it helps to lower the operating cost, enhance business efficiency and maximize business value.

PCCW Solutions implemented SAP Business All-in-One solution for Nanchu which included the following modules:

Extended Warehouse Management (EWM)

- Focused on logistics warehousing links to support real-time mobile devices and automatic equipment interconnection
- Seamless integration of various automation technologies such as voice recognition, order-picking by machine and automatic transport navigation
- Check inventory status real-time, eliminate manual stock counting
- Enhance inventory transparency by implementing responsive replenishment and intelligent receiving and dispatching of goods

Transportation Management Software (TMS)

- Optimize delivery network and lower transportation cost
- Provide flexible transportation plans according to company's resources and real-time traffic conditions
- Adjust transportation plan real-time, either manual or automatic
- Real-time summarizing and feedback of logistic information, expediting the whole logistic process

Sales and Distribution/ Merchandising Management (SD/MM)

- Unified management on information including material data, orders and invoices
- Integrate production and sales to

enhance adhesiveness of upstream and downstream customers

- Integrating inventory, merchandising and sales data to control costs and reduce errors
- Merchandising orders meets the auditing requirements of receipts and invoices

Financial Accounting and Controlling (FICO)

- Generate financial reports simultaneously to fulfill legal requirements on finance, taxation and internal auditing
- Integrate financial data from different regions, departments and business units real-time
- Through order settlements to control logistics investment and increase profit
- Link up the financial transactions between upstream and downstream customers from orders-taking, transportation to sales

About PCCW Solutions

PCCW Solutions is a leading IT services company in Hong Kong and mainland China. We adopt the latest technology to help clients create business value and success in the ever-changing economic environment. We offer a wide range of services including digital solutions, IT and business process outsourcing, cloud computing, system development and solutions integration, data center hosting and managed services, e-commerce and IoT solutions. PCCW Solutions is committed to meeting customer needs to help them achieve business goals and transform digitally.