

OVERVIEW

Premier supplier of store brand diapers seamlessly integrates ERP software with RFgen Mobile Foundations for JD Edwards.



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the full case study



SNAPSHOT

INDUSTRY:
Manufacturer

ENVIRONMENT:
Oracle JD Edwards

APPLICATIONS:

- Production
Material
Management

GOALS ACHIEVED

- 1 Cost reduced – RFgen was less expensive than the other off-the-shelf solutions
- 2 Increased functionality – RFgen was able to easily create customized transactions and seamlessly integrate with the JD Edwards database.
- 3 Increased operational efficiency – RFgen was more intuitive for the warehouse staff with minimal training needed.

“ [RFgen] is easy to implement, it's scalable and allows us to update our JD Edwards database in real time. I've never second guessed the decision to go with RFgen. ”

- Kenny Frachiseur, Manager
Arquest, Inc.

THE CHALLENGE

As a premier supplier of store brand diapers, Arquest faced tremendous competitive forces in an industry that was primed for consolidation. According to Carlos Richer, a leading diaper industry expert, in 2005, the world baby diaper market was valued at more than \$21-billion and the quantity of disposable diapers sold was more than 450-billion diapers.

However, at the Diaper Industry Conference, 'Insight 2005', Richer described the market as "the bleakest ever." During these tough times, Richer predicted diaper manufacturers would fight for survival with the weakest players being forced to exit the market, correcting the overcapacity situation and easing competition. To survive, differentiation was critical.

With intense competition from branded diapers, Arquest planned to increase its differentiation by offering a breakthrough service package in the diaper industry called Vendor Managed Inventory (VMI). To launch VMI, Arquest needed to engage retailers in a consultative partnership with the goal of managing the levels of disposable diaper inventory at retail outlets. VMI was only possible if Arquest developed a flawless merchandising support structure throughout its supply chain.

To provide the VMI service to its customers, Arquest began looking for a supply chain management technology that would deliver the following:

- 20% improvement in productivity and 30% increase in materials inventory accuracy.
- Improve overall efficiency of supply chain enabling a 50% reduction in work-in-process inventory and raw materials
- Effectively manage the transfer of ownership of raw materials in the production process – consignment of work-in-progress materials
- Efficiently manage the data collection process using wireless data collection terminals and seamless

integration with current JD Edwards Enterprise Resource Planning (ERP) software

“ RFgen is the easiest software to use. We went from idea to reality in less than a week. Prior to RFgen, those ideas remained in fantasy-land.

- Kenny Frachiseur, Manager
Arquest, Inc.



took a minimum of 8-hours to upload.

THE RESULTS

- Eliminated accuracy concerns by using wireless data collection devices and being able to upload to JDE in real-time.
- Increased warehouse staff productivity by 30%, exceeding the goal by 150%.
- Work in progress and raw material inventory turnover was reduced by 50%.

THE SOLUTION

Arquest implemented RFgen Software due to its open architecture and how easily it integrated with Arquest's supply chain requirements. Prior to putting RFgen into operation, collected data was uploaded using a batch system which



ABOUT ARQUEST, INC.

Arquest, Inc. is the premier supplier of store brand diapers, training pants and specialty products, to the world's largest retailers. A privately held company founded in 1991, Arquest is a successful spin-off from Johnson & Johnson and is currently the second largest private label disposable diaper supplier in North America.