



CUSTOMER SUCCESS STORY

Supplier of Plastic Products
Reduces Inventory & Maintains
High Service Levels with
VALOGIX® Inventory Planner

Mambo's Plastics Warehouse

Quick Facts

Company

- Name: Mambo's Plastic Warehouse
- Location: Cape Town, S. Africa
- Industry: Retail & Wholesale
- Products: Plastic products for home and business.
- # Employees: 120
- # SKUs: 20,000
- Website: mamboplastics.co.za

Challenges and Opportunities

- Better manage growing inventory to meet growing demand
- Reduce inventory costs and maintain high service levels
- Reduce over-buying and excess inventory

Objectives

- Utilize one automated system to streamline all business processes including inventory forecasting and replenishment
- Reduce costs, planning time, and stock-outs
- Maintain or increase customer service levels



"Using Valogix means the risk of over-purchasing or sitting with excess or slow moving stock is virtually eliminated.

Instead of money being tied up in unwanted inventory, it's free to be ploughed into the business where it is needed more, such as to fuel the company's future growth,"

Demetre Nikolopolous
Managing Director

SAP® Certified
SAP Business One Integration

Why Valogix?

- Seamless integration to SAP Business One providing forecasting, replenishment planning & optimization. Recommended by Bluekey Software Solutions

Benefits/Results

- Inventory optimization improved operational efficiency while improving customer service levels
- Reduction of inventory significantly improved bottom line cash flow
- Replenishment planning time reduced by 90%
- Decrease in days of inventory from three months to three weeks
- Return on Investment in less than six months

Previous Environment

ERP Pastel and time-consuming spreadsheets and reports.

Software Solutions

VALOGIX® Inventory Planner and SAP Business One



“Through better planning and forecasting, and by reducing stockholding, we’ve dramatically reduced inventory costs. But, perhaps one of the most important benefits of the system is that it delivers an integrated, real-time view of our business,

Plastics Warehouse Managing Director
Demetre Nikolopolous

Manual Systems Cause Un-Balanced Inventories

Mambo’s Plastics Warehouse was founded in the year 2000 and has since developed into one of the leading plastics wholesalers/ retailers in the country.

They have grown their stores to five branches countrywide. They are located in the Western Cape (Northern and Southern Suburbs), Eastern Cape, Bloemfontein and the Vaal Triangle. Another store opened in East London in 2011 together with further expansion plans.

Mambo’s prides itself in stocking a comprehensive range of plastic-ware, larger than most national chain-store retailers in Southern Africa.

Not only are they known for a selection and range by continuously sourcing new suppliers daily, but they also strive to offer the consumer, the best price by negotiating volumes with suppliers.

Along with their core lines you will find many other products of varying material that naturally complement those products (e.g. the mop you need for the bucket). Therefore, do not be surprised to find products made from materials such as wood, polystyrene, acrylic, melamine, rubber, stainless steel and glass.

Reduced Inventory Does Not Equal Reduced Service

Since Mambo’s is not only a wholesale distributor, but also a retailer, they had unique considerations in implementing a new software package. Drastically reducing inventory could cause customer service levels to drop precipitously causing customer dissatisfaction and loss of sales.

The solution, designed and deployed by local technology company Bluekey Software Solutions, comprises SAP Business One, the enterprise resource planning system for small-to-mid-sized companies; Valogix, an innovative SAP Business One solution extension for inventory planning and management; the Bluekey Business Intelligence Suite; and Cistech's Serious About Retail Point-of-Sale (POS) solution.

“Mambo’s has reduced inventory costs and achieved a 90% reduction in transaction processing times following the enterprise-wide implementation of SAP Business One, and Valogix Planner.

Valogix Automated Planning Sets Optimal Stock Levels

The Valogix inventory planning solution bolsters SAP Business One's stock management functionality, automatically forecasting future demand for items. It seamlessly sets optimal stocking levels and automatically creates replenishment orders to optimize the inventory.

“What this means is that the risk of over-purchasing or sitting with excess or slow-moving stock is virtually eliminated. Instead of money being tied up in unwanted inventory, it's free to be ploughed into the business where it is needed more, such as to fuel the company's future growth,” says Nikolopolous.

“This system feels like it was designed specifically for our business. Going beyond ERP, it has enabled us to tighten up our control over all aspects of our business with streamlined processes. We're confident that the system will not only enable growth, but will also grow with us,” says Nikolopolous.

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