



Mobel Case Study

Mobel Electronics: Enabling Excellence Through Supply Chain Visibility!

Dealing in commodity products with a limited product life cycle is a high-risk venture; in a cutthroat market, it's an endeavor unto itself. By not having real-time visibility, you could be facing disaster. Coming to work everyday, constantly challenged by the forces of change, knowing one slip could cost you profit or worse – a roomful of obsolete inventory worth only pennies on the dollar – adds tremendous pressure to your work day. Being in synch with the industry's current trends and volatile



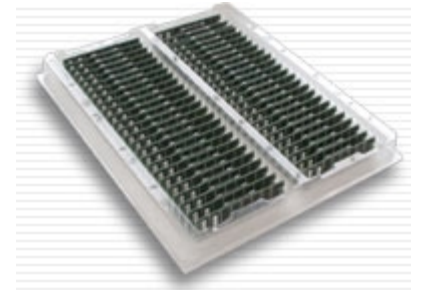
market fluctuations is key to survival in the rigorous world of commodities.

Mobel Electronics is no stranger to this world. Mobel Electronics Inc. is rapidly becoming Canada's leading distributor of computer memory. Its innovative approach to address the market needs, coupled with its commitment to superior customer service has allowed it to enjoy unparalleled growth. Headquartered in Montreal, with a staff of over thirty and sales offices throughout Canada, Mobel Electronics continues to outperform its competitors. Recently appointed official distributor for Kingston Technology, they offer both AZENRAM and Kingston products to their client base. Mobel Electronics offers a wide range of memory

solutions for manufacturers such as Apple, Compaq, Hewlett-Packard, IBM, NEC, SUN, and Toshiba, as well as for most widely distributed motherboards. Its customer base is made up of retail superstores, white box manufacturers and computer resellers.

Mobel Electronics' operational efficiency has enabled the distributor to distinguish itself from its competition and quickly emerge as a leader in this niche market. This is no small feat in an industry sector that is constantly subjected to the highly dynamic changes in supply and demand. According to Christopher Price, Operations Manager for Mobel Electronics, "Commodities distributors draw on gross margins from which to generate profit. A slight drop in the value of the dollar, combined with poor operating processes, can significantly impact these margins and result in reduced earnings."

"A little over two years ago," states Price, "faced with the challenge of keeping up with the growth and demand from our customers, we realized that we had outgrown our legacy system. We wanted to become the best distributor in our market segment and looked at some of the other companies that try to do what we do. We found that they were spreading themselves too thin by taking on periphery products and trying to become everything to everyone. We wanted to differentiate ourselves and become the best by mastering the focused approach. After all, when people call with a question, they expect immediate answers."



"We put our trust in TECSYS because they understood our corporate vision: to provide superior customer support and maintain rapid order fulfillment!"

*Christopher Price,
Operations Manager
Mobel Electronics*

TECSYS



*“What’s great about **EliteView** is that it enables us to analyze on the fly. It’s a software tool that allows us to have a finger on the pulse of the business. We now manage and run our organization based on what’s happening now, not yesterday or last week.”*

*Christopher Price,
Operations Manager
Mobel Electronics*

Mobel Electronics recognized that to meet the challenge of becoming the best memory distributor in Canada and beyond meant that they needed to review and overhaul their current business processes. To better suit the ever-changing customer demands and support expected of them. It was then that they sought the expertise of TECSYS’ **EliteSeries** suite of distribution software, to handle their order fulfillment and increase the visibility of their business operations.

According to Price, **EliteSeries** helped them streamline work processes and more than double their productivity. “Demand for our products”, states Price, “has been increasing significantly, far exceeding the capabilities of our late legacy system. We were in the market for a distribution software suite that could handle our current fulfillment levels, as well as our unprecedented future growth. At Mobel, the life span of an order from order-to-pack had to be 15 minutes.” **EliteSeries** not only meets the 15-minute timeline, but also helped the computer memory distributor grow its business.

Let’s see how a company like Mobel Electronics performs, when it sets its sights, declares what it wants to conquer and then takes the risk to achieve it. Since implementing the **EliteSeries** a little over 2 years ago, Mobel Electronics business-to-business orders-per-day have grown over 26% with overall order volume up by 65% with virtually no increase in personnel. Added to that a 25% reduction in average

order-to-pick time and an overall productivity improvement of 75%. When you consider the increase in orders and the decrease in fulfillment time with virtually the same staff, the productivity increase realized by Mobel is fantastic.

Another of the major challenges for distributors, when facing customer demand, is being able to respond to their questions with minimum delay. When you have an application made up of small islands of information, it is extremely difficult to see information across your entire enterprise. One of the key modules from the **EliteSeries** suite is the Enterprise Performance Management (EPM). Within EPM are two key visibility applications: **EliteView** and **EliteQ**. These analysis tools are able to select, view, find, and design any report, graph, comparison chart or analysis they need to run their business. Now that Mobel Electronics has real-time visibility, reaching forecasting accuracy levels of 100% is common.

TECSYS not only exceeded Mobel Electronics’ expectations, meeting 90% of their distribution software and operation requirement needs, but developed a strategic relationship with its customer.

The **EliteSeries** enterprise suite is made up of the following modules: Enterprise Performance Management (EPM), Distribution Management System (DMS) with Forecasting Management Software, Warehouse Management System (WMS), Transportation Management System (TMS) and E-Commerce (with both EDI and



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Elite.eCom solutions). “Since TECSYS has key modules that make up its suite, all the modules are interfaced and snap in when and if we need it. This makes planning for the future easy and simple, for it allows us to control the growth, speed, and timeliness of what we want to implement,” affirms Price.

The latest development in Mobel Electronics’ business practices is their continued march to perfection and their commitment to high levels of customer service. In 1998 the company obtained ISO9001 certification, which was successfully renewed in October 2001. Combining their processes with their wide area network, order processing and inventory control systems, designed to provide customers with accurate pricing and stocking information on demand, makes their service level unbeatable.



Their innovative service offerings also include:

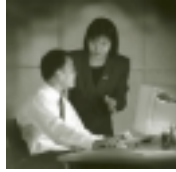
- 24 hour next day delivery
- Retail packaging or bulk packaging of AZENRAM memory products
- Clearly labeled modules and anti-static envelopes
- Limited lifetime replacement warranty
- On-line parcel tracking
- Comprehensive RMA policy and toll-free RMA FAX number
- Online RMA process
- Online warranty registration

So, what’s next for Mobel Electronics? Price expects his e-commerce initiative to grow steadily and has expressed interest in TECSYS’ latest software application suite, *EliteSeries 7.0*. *EliteSeries 7.0* continues to exceed the complete supply chain management needs of distributors, by addressing the new demands of supply chain visibility through e-commerce and access to key information. Its ready-to-use Web applications enable users to pass or exchange information (through interfaces like Web Services) regardless of the hardware platform or software application they have currently installed. This will not only allow Mobel Electronics to provide its customers with current information, but to effortlessly connect and keep their suppliers in the loop as well.

Mobel Electronics’ success can be attributed to its up-to-date knowledge of its niche market (computer memory), as well as its strong grasp of technology and the need for constant innovation. Its recognition and vision for excellence has enabled it to better serve and respond to its growing customers base, clearly setting them apart as one of North America’s leading suppliers of computer memory.

“EliteSeries”, remarks Price, “has handled the transaction level without experiencing any problems and the support of TECSYS’ service staff has always been professional and top-notch.”

*Christopher Price,
Operations Manager
Mobel Electronics*



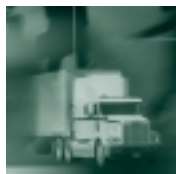
Enterprise
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Management



Distribution
Management



Warehouse
Management



Transportation
Management



e-Commerce

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