

Case Study

Blue Sky Technologies Provides Supply Chain Visibility for Stop & Shop



The Customer

Growing from a single corner grocer to a chain of more than 370 stores throughout New England, New York and New Jersey, Stop & Shop has offered its customers the best selection, quality and value for more than 90 years.

In 1914, the Rabinovitz family founded the Economy Grocery Stores Company in Somerville, Mass. Four years later, family member Sidney Rabb introduced an idea new to retail – the self-service, modern supermarket. His novel idea caught on, allowing the company to rapidly expand its number of stores. In 1946, the company officially became known as Stop & Shop, Inc. and sales climbed to \$42.5 million.

Today, Stop & Shop is a multibillion-dollar corporation and the largest food retailer in New England. Stop & Shop employs 58,000 associates in its network of stores, distribution centers, manufacturing plants and offices, which stretch across Massachusetts, Connecticut, New Hampshire, New York, New Jersey and Rhode Island.

The Challenge

Because of its growth and need to have better control over its supply chain, Stop & Shop began looking for a visibility management tool several years ago. They wanted to become more proactive in managing the events that occur when supplying products to its end consumers, the retail stores. They saw a substantial financial savings to be gained by managing their supply chain on a proactive, exception basis, but were having trouble sorting through the overflow of data to get to the information that mattered right then. In some cases, it was taking days to create reports that were obsolete as soon as they were available.

The Solution

Stop & Shop selected Blue Sky Technologies, Inc. for its expertise in the food and grocery industry and the depth and breadth of their products. The retailer implemented Blue Sky's Insight™, a web-based supply chain dashboard application that allows the end user to reduce unnecessary delays and inefficient use of resources by configuring a set of gauges and alerts that identify areas of the operation that require attention.

"Insight will have an immediate and substantial impact on our operations," said Joe Francis, Manager of Process and Systems Improvement at Stop & Shop's Supply Chain Strategy and Execution Group. *"Upon implementation of Insight, supervisors and managers of the operation will be able to spend more time actually managing the operation instead of mining for data or waiting until reports could be generated."* Insight™ provides a powerful query capability for capturing the information behind the alerts and can also instantly create Excel, Word or PDF files from the results of those queries.

While some providers of visibility applications focus on one aspect of the supply chain, Blue Sky fills the need across the extended supply chain by utilizing its powerful framework to layer across multiple applications. Stop & Shop uses Insight™ over their WMS and Crane applications and are working with Blue Sky to implement the application on a broader scale. The application provides gauges and alerts for use from the supervision level all the way to top management and provides the tools needed for Fire Fighting, Fire Prevention and Fire Proofing.

"We decided to come to market with a product that didn't merely mimic other ad hoc query tools," said Randy Marble, CEO and Chairman of Blue Sky Technologies, Inc. *"Nor did we feel comfortable in selling a product that needed a large amount of customization just to make it work. We can deploy Insight in a matter of days with a robust set of standard features that can be configured to the individual needs of the customer."*

By using a dashboard to view the current operating conditions of their supply chain, upper management has more free time to devote to strategic decisions instead of waiting until the next day to see how well the operation is performing.

"Having this set of information in front of me at a moment's notice is a calming feeling, and if the gauges or alerts indicate a potential flaw, it allows us to jump to action before the situation becomes a problem," added Jerry Pimental site manager for Stop & Shop's Freetown distribution center. *"Blue Sky has delivered upon their promise by providing us with a true working example of a visibility application that doesn't cost a fortune to implement or see results. We implemented the application almost overnight and have achieved positive results from day one."*

The Future

Next on the agenda for Stop & Shop will be implementing Insight™ for their transportation applications and managing several key areas of integration with their distribution center. *"Seeing what Insight can do over our WMS and Crane applications, I have no doubt that we will begin to see great benefit as we deploy the*



application over our transportation modules,” said Pimental. “To use an analogy, you can get up from your living room every ten minutes, walk to your front door and see if there is anyone there, or you can install a doorbell. Insight™ gives us our doorbell.” With the Insight™ product and Blue Sky Technologies expertise, he sees Stop & Shop “bridging islands of data” in the management of their business.

“We intend to utilize Insight well beyond our warehouse management systems,” Stop & Shop’s Francis added. “From a supply chain viewpoint, Insight helps us gain visibility across our corporate information systems. We envision that Blue Sky’s Insight will play a mission critical role in our business decision process.”

The Provider

Blue Sky Technologies, Inc. is a supply chain visibility software company that provides customers with targeted executive decision dashboards, such as its flagship product, Insight™. The company’s solutions are web-based and configurable to serve the needs of multiple individuals within a company’s various levels of supply chain responsibilities. Blue Sky Technologies offers integrated, prepackaged supply-chain software and quality service offerings to enhance their customers' competitive advantage in the marketplace. For more information, visit www.blueskytech.com.

Blue Sky Technologies is a participating member of the Supply Chain Council and continues to help define and revise their standard models and metrics for evaluating the efficiencies of supply chain operations. The SCOR model, as it is more commonly known, is comprised of a standard set of evaluation criteria for planning, sourcing, making, delivering and returning aspects of an operation. Insight™ has adopted the SCOR model and the associated metrics as part of the extensive library of standard Gauges and Alerts. Some of these metrics include:

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| Perfect Order Fulfillment | Order Fulfillment Cycle Time |
| Upside Supply Chain Flexibility | Upside Supply Chain Adaptability |
| Downside Supply Chain Adaptability | Total Supply Chain Management Cost |
| Cost of Goods Sold | Cash to Cash Cycle Time |
| Return of Supply Chain Fixed Assets | |

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