

## Supply Chain – The New War Zone

***The supply chain is becoming the battle ground of efficient companies and the graveyard of inefficient companies.***

At first it is surprising to see supermarket TV advertisements extolling how their supply chain brings you cheaper, fresher and better products.

These advertisements do not say buying power, or low margins, are the key to better shopping. Rather the ads boast the efficiency of their supply chains as one of their key assets and a key to their superiority.

The same is happening in most logistics areas.

Companies are realising that forcing supplier prices down, or globally chasing the lowest unit cost, is of less value than fighting for efficiencies and benefits through the supply chain.

The logic of this is made obvious when you realise many products cost more to get from source to shelf than it costs to make them.

Further, companies are realising the efficiency in the supply chain is not only reducing cost but is also building competitiveness.

The “Lean” concepts are generating even greater interest in the efficiencies and cost of the supply chain.

A key to the supply chain are the computer systems and data capture equipment that form the technology backbone of the concept.

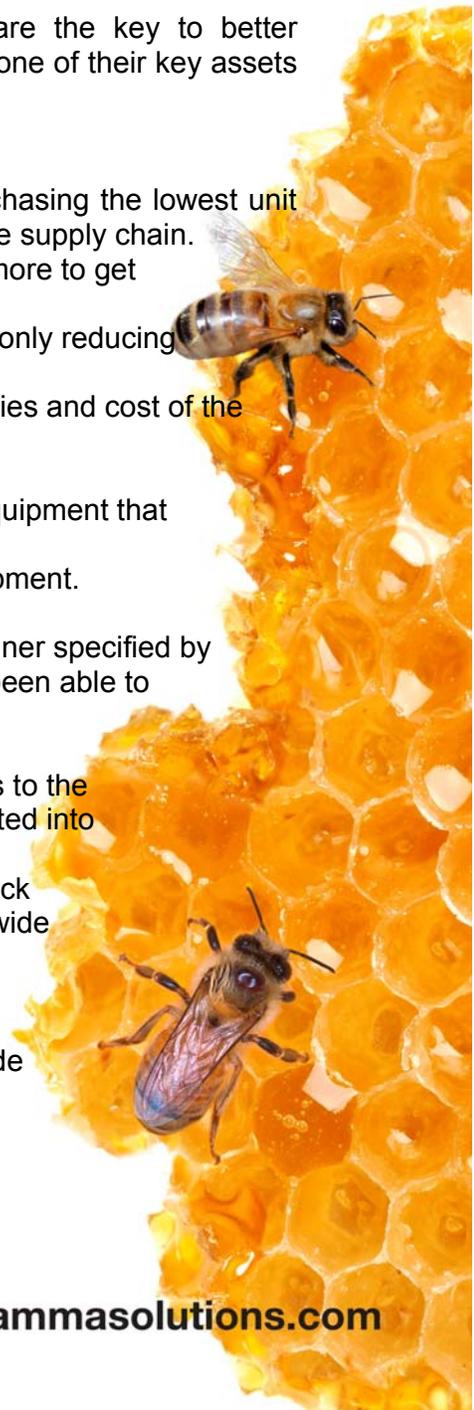
These are some of the fastest growing aspects of commercial IT development.

Most revolve around bar coded products but some have moved to RFID.

The most publicised RFID application is the farm to shelf reusable container specified by Wal-Mart for fresh foods. While companies are trialling RFID, few have been able to cost justify the move from barcodes.

Gamma Solutions, one of the leading suppliers of hardware and services to the supply chain, noted that a wide range of technologies need to be integrated into a final solution for a supply chain to achieve the full potential. The data collection hardware included wireless portable data mobile units in the pick area through to units operating in remote areas and communicating via wide area networks to a central point.

A typical unit was the Intermec 761 mobile computer incorporating local and wide area network radio facilities, a large colour screen, barcode scanning plus the facility to process custom or standard programs.



Paul Fleming, (Gamma Solutions) said, "Picking, packing and receiving were traditional areas for bar codes, but the supply chain revolution means you need to know more about the item in transit or items where delivery arrangements may change".

Paul added one Gamma system incorporated GPS so the receiving point knew the ETA of time critical medical items and another included POD (proof of delivery) plus provision for recording that the POD was different to the original schedule.

***The supply chain has moved from a simple flow of product to concepts where optimisation and efficiencies are a key factor. This is very similar to the evolution of the warehouse, which moved from simple storage places to areas of sophisticated inventory management.***

Paul commented the key was, "the need for high levels of reliability and near 100% uptime". He added the features of the Intermec 761 fitted this profile as it was recognised as one of the most rugged units in the industry.

Valued Gamma Solutions customer, Linfox, have integrated the Intermec 761 into their business. A Linfox spokesman said, "in the trucking environment it was inevitable that occasionally a unit would drop many metres from a driving cab to a concrete floor. The ruggedness and reliability of the Intermec 761 was a critical feature when choosing the right hardware for the job".

*The modern supply chain involves mobile data collection units, local and wide area networks, security, software integration and compliance with protocols from many different parties. Gamma Solutions has trained staff and strategic alliances with organisations like Cisco and Oracle to provide the expertise to integrate the data collection component into the modern supply chain.*

