



COLGATE-PALMOLIVE

EFFECTIVE SHORT-TERM PLANNING THROUGHOUT THE SUPPLY NETWORK



Colgate-Palmolive Company is a top maker and marketer of toothpaste and a worldwide leader in oral care products. The company, which performs vendor-managed inventory for multiple customers across the globe, recently began leveraging the SAP Supply Network Collaboration application to enable more effective near-term planning.

QUICK FACTS

Company

- Name: Colgate-Palmolive Company
- Location: New York
- Industry: Consumer products
- Products and services: Oral, personal, and home care products; pet nutrition products
- Revenue: More than US\$13.8 billion
- Employees: 36,000
- Web site: www.colgate.com
- Partner: SAP® Consulting

Challenges and Opportunities

- Shift planner focus to near-term demand signals
- Respond quickly to unexpected demand

Objectives

- Base replenishment and ordering on downstream demand rather than high-level forecast
- Gain experience with the SAP Supply Network Collaboration application

SAP Solutions and Services

- SAP Supply Network Collaboration, a part of the SAP Supply Chain Management (SAP SCM) application
- SAP NetWeaver® Exchange Infrastructure component

Implementation Highlights

- Implemented initial instance of SAP Supply Network Collaboration in 1 year (as part of SAP SCM upgrade)
- Worked closely with SAP Consulting to bring up single global instance in the United States

- Implemented subsequent installations (Italy, then Brazil) in 3 to 4 months
- Ran SAP Supply Network Collaboration in parallel with SAP Advanced Planning & Optimization (SAP APO) component for more than 4 weeks to ensure software was ready for go-live

Why SAP

- Colgate's strategic partnership with SAP and its ability to leverage existing SAP software
- The application's comprehensive support for supplier and customer collaboration

Benefits

- Streamlined vendor-managed inventory processes
- Improved access to timely, granular customer data
- Reduced manual order handling and processing
- Enabled planners to spend more time analyzing business impacts and less time cleansing data
- Enabled company to keep more products in stock during key promotions via effective forecasting and promotions planning

“By the time the analysts start their work day, forecasts and replenishment plans have been updated, based on information about retailer activity that happened the previous day.”

Nicholas Daddetto, Senior Manager,
Colgate-Palmolive Company



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