

## JS Unitrade Merchandise, Inc.

Enhancing lives and competitiveness



JS Unitrade Merchandise, Inc. (JSU), a subsidiary of First SLP Holdings, is a nationwide distributor of paper and personal care products in the Philippines. Established in the 1980s, it has emerged as a prime mover of baby care, feminine hygiene and geriatric care products, including Asian-made disposable baby diapers, adult diapers and underpads, pantyliners and sanitary pads, wipes and paper tissue products. Their vision is to enhance the lives of Filipinos through better hygiene.

“I think the Renoir process is worth the investment, especially for companies that have the courage and the commitment to change for a better future.”

**Eugene C. Go**  
Senior Vice President

### Key Results

ROI for this project is  $\geq 1.8:1$

10% of increase in sell-out

Increase in trucking and delivery efficiency of more than 5%

Inventory level reduction of 15%

### ANALYSIS

JSU's vision is to perform as well and compete against the big multi-national corporations (MNCs) such as Kimberly Clark and Procter and Gamble. Therefore, it was vital for JSU to become an efficient company through closed-loop processes so that it could focus on business strategies to grow the company further.

Management was looking for sustainable solutions to improve business processes in sales and marketing, and supply chain and they invited Renoir to conduct an Analysis, focusing on those aspects of their business.

Impressed with Renoir's approach and the identification of opportunities for improvement, JSU decided to proceed with an implemented Project. Some of the major opportunities identified included:

- Merchandisers not monitored properly by their supervisors
- Individual sales call planning by Key Account Managers (KAMs) and post sales debriefing to fine tune the next sales call required further strengthening
- Daily truck requirement planning was not comprehensive, – leading to instances of insufficient truck availability
- Material requirement planning did not take into account all major variables
- Marketing spend results totals were not measured at year end and were not tracked by single events

### PROJECT APPROACH

#### SCOPE OF WORK

The scope was divided into two workstreams with the following objectives:

#### 1. Sales & Marketing

- Increase operational sales
- Increase advertisement spend effectiveness

#### 2. Supply Chain

- Improve trucking and delivery efficiency
- Reduce inventory level (without jeopardizing sales)

### World Leaders in Sustainable Change

© Renoir Consulting Limited. This document remains the property of Renoir Consulting Limited and must not be copied or distributed in hardcopy or electronic form without the prior written approval of Renoir Consulting Limited.

## APPROACH AND FRAMEWORK

“Renoir’s approach is leading us to the next level of doing business.”

**Manny E. Collado**  
**Vice President for Finance**

“This system that we are currently implementing aims to dramatically improve the quality of service we bring our customers by ensuring we make correct and timely business decisions.”

**Roy Rivero**  
**Area Sales Manager**

Based on this agreed scope of work and improvement areas, practical tools and systems were developed and customized and full time Change Champions from JSU were selected. Together with the Renoir team, they worked throughout the project to ensure that the knowledge and experience of change and implementation, were embedded within the organization.

Following are some of the systems implemented:

### 1. Improved Management Practices

- A Management Control System (MCS) was introduced and implemented, helping to organize JSU’s management activities with a one-page framework. It assisted the management team, through a closed-loop management system, to improve its operations with better transparency.

### 2. Improved Operational Practices

- Current Order to invoice processes were mapped and critiqued, identifying shortcomings;
- Brainstorming with stakeholders led to new ideas and enhanced planning systems and practices were designed, tested and implemented.
- Warehouse stock level planning was also critiqued resulting in a number of actions including:
- Inventory levels were split into two major categories - fast moving and slow moving stock, which improved data integrity;
- Improved methods to calculate safety stock levels were designed to accommodate spikes in demand and promotions, as well as current sales volume trends and seasonal influences;
- Recalculating optimal order frequency and quantity, based on new variables
- Truck load planning effectiveness;
- Assessing truck loading capacities by truck type;

- Designing improved loading parameters;
- Reviewing current routing system and incorporate delivery windows and other constraints;
- Short interval control on merchandisers and sales team;
- Redefined merchandiser and sales team activities and provided training in the new way of working;
- Defined and implemented reporting tools;
- Ensured compliance of sales increase measurement;
- Ensured merchandiser presence through proper checks and balances;
- KAM /Distribution Managers (DM) / Coordinator effectiveness;
- Assessed KAM/DM/Coordinator activity planning and time spend;
- Agreed improved planning practices;
- Defined the required skills for account management;
- Trained the KAMs/DMs/ Coordinators in the required skills and created a coaching programme;
- Improved weekly meetings to set targets and define follow-up of KAM/DM/Coordinator activity;
- Defined how the KAM/DM/ Coordinator could improve their ability to capture intelligence from the merchandiser and consolidate it into weekly sales and distribution planning, reducing/ voiding month-end delivery spikes.

## THE RENOIR GROUP

Renoir Consulting is a world leader in sustainable, implemented change. Founded in 1994, Renoir has offices located in North and South America, UK, Europe, Turkey, Middle East, Southern Africa, India, Pakistan, China, South East Asia and Australasia. With over 350 fully employed and highly trained consultants, their work across a wide range of industry sectors gives them a broader perspective of the issues facing your business, allowing them to be sensitive to your unique challenges, culture and specific business issues. This cross-pollination ensures truly effective, rapid and sustainable solutions.

Visit Renoir at [www.renoirgroup.com](http://www.renoirgroup.com) for more information and a complete list of regional contacts or send us an e-mail at: [renoir.office@renoirgroup.com](mailto:renoir.office@renoirgroup.com)

## World Leaders in Sustainable Change

© Renoir Consulting Limited. This document remains the property of Renoir Consulting Limited and must not be copied or distributed in hardcopy or electronic form without the prior written approval of Renoir Consulting Limited.