

SUCCESS STORIES

**Rapid growth empowers
Duvel Moortgat to reimagine its
international supply chain
processes**



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WHO IS DUVEL?

1871

Founded



<60
Countries

11 Breweries

In Europe & US



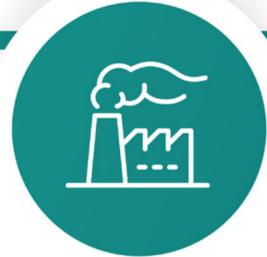
500M€
Sales

400 Beer

SKUs

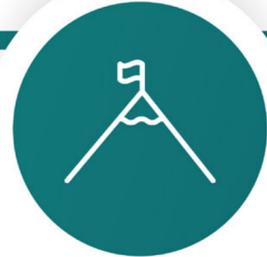


SUMMARY



INDUSTRY

Brewery and distribution of famous beer brands such as Duvel and Vedett



CHALLENGES

To integrate all supply chain processes in a structured way, facilitated by a best of breed S&OP tool



SOLUTIONS

Arkieva S&OP Software modules for Demand Planning & Inventory Optimization



RESULTS

- › Integrated supply chain processes
- › Aim to rebalance inventory stock levels
- › Further connect sales and marketing with the production processes

RAPID GROWTH EMPOWERS DUVEL MOORTGAT TO REIMAGINE ITS INTERNATIONAL SUPPLY CHAIN PROCESSES

Duvel Moortgat is a world famous brewer based in Belgium, built on tradition and family values. From their 11 breweries in Europe and the US, the company exports its 'devilishly good' beers to more than 60 countries. With success, as their sales rose from 48 million to over 500 million euro in the last 20 years This rapid growth, and the complexity it created, pushed Duvel Moortgat to reimagine their international supply chain processes together with Solventure. In this context, we asked Koen Van der Taelen Chief Supply Chain IT Officer at Duvel Moortgat, how this partnership is going.

Why did Duvel Moortgat choose Solventure for this Supply Operations Planning (S&OP) journey?

Remember that your supply chain eco-system (the tools, processes and its culture) should be tailored to the strategy of your company, and shouldn't be too generic. In that sense we immediately had the right click with Solventure. They grasp our value proposition of delivering premium beers & customer experience, and their consultants help us pinpoint areas where we should step up to make this a reality. To me, it feels a lot like a happy marriage, in which you give and take, and this only works when you know each other through and through.

Because of this mutual understanding, our Solventure consultants have adapted their Arkieva supply chain software to the -sometimes complex- needs of our different markets and channels. The software offers a unique balance between agility and scalability, and that helps keep the implementation budget under control. For example, during the first covid-19 weeks, Solventure was quick to answer our call by developing a small tool to identify 'stock at risk' in one day's time (i.e., specific BBDs in stock which might not be sold in time as we saw our Horeca channel shut down).





How do you use the Supply Chain Triangle to optimize your supply chain process?

In most companies I've found that logistics & warehousing colleagues are very focused on cost-control. That's often been the primary driver and incentive for such teams. The triangle invites you to make a choice, since you can't have outstanding service level or innovation at the lowest costs or working capital. When I welcome new hires in our supply chain team, they understand that quality & craftsmanship are cornerstones of Duvel Moortgat's story. The Triangle then helps them understand that also our supply chain aims at supporting that vision. That cannot be done at the lowest cost. For example, we store -and even transport on some lanes- our beers in a temperature-controlled environment to maintain better quality.

Which challenges were you facing the last years, that have you solved together with Solventure?

Our main supply chain challenge the past years was to tackle growing complexity, in part by achieving end-to-end visibility on our international supply chain. Two decades ago we started with one sales country, one main brand and one brewery. Over time, different brands (such as Achouffe, Liefmans or Firestone Walker) joined our family of breweries. In Europe, we now have ~400 beer SKUs that we produce in 7 breweries. Moreover, we launched our own Duvel supply chain in various countries where -previously- we worked with local partners. In conclusion: there's a need to manage many more SKUs, across more breweries, and especially multiple decentral warehouses in more sales countries.



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Which concrete benefits have you attained with the improved supply chain process?

Let me share two examples of how Solventure has helped us to work through this complexity:

- When you launch such a new country operation (such as Duvel Italy in 2022), all of a sudden you're facing the challenge of setting service levels & stocks. Now, thanks to Arkieva, we determine the stock for those countries from one central ERP system, and base it on accurate forecast data. Our sales teams can focus their time on exceptions & insights, instead of excel files with 400 SKUs. And our logistics teams have (automatically derived) stock targets that trigger replenishment.
- Every logistics manager will tell you it's been hard in 2021 to bring reliability in ocean freight. As boats are delayed or canceled, sailing dates for the trade to China are continuously revised. We now reflect such changes in our ERP, after which Arkieva immediately displays whether we're at risk of an out-of-stock situation in China. This visibility is available to both our Belgian planners as well as our Chinese colleagues. Quite helpful if you're doing 150-200 containers monthly.

In short, such visibility allows for better decisions, and streamline the cooperation between our supply chain, sales and production teams.

Another intangible benefit in my eyes was the tight relations that our S&OP team has built with our sales colleagues. The Arkieva forecast data now acts as a single fact base, hence the supply chain dialogue became more objective and it was easier to get everyone to trust the S&OP process.



What are the next steps in your supply chain journey?

We started close to home, with a focus on Europe. Next up on our agenda is a deep-dive on the Chinese market. We already have our offices and ERP in place, but it will still take a few months to further fine-tune the complex supply chain flow to this country and its various regions & warehouses.

ABOUT SOLVENTURE

As Solventure we challenge you to rethink supply chain thinking. We help you to transform your supply chain from an obstacle into a competitive edge. Stop regarding your supply chain in purely operational terms and start aligning it with your business strategy instead. This shift in perspective, which we firmly stand for, is the best way to tackle supply chain issues and to provide a more agile way of fulfilling demand in the fast-evolving world around us. It's the key to driving value, on all business levels.

Check out our methodology, services and software solutions at www.solventuregroup.com or get in touch through contact@solventure.eu

READ MORE

Balancing service, cost and cash is a major challenge. To improve this supply chain triangle and to steer your organization towards success, a mature Executive Sales and Operations Planning (S&OP) process is key. Read more about balancing the Supply Chain Triangle through Sales & Operations Planning!

Download it now at www.solventuregroup.com

