

This year, supply chain management (SCM) executives will focus on an agile and integrated supply chain.

Partner Perspective

The Growing Importance Of Supply Chain Management

IT HAS BEEN ANOTHER CHALLENGING YEAR FOR RETAILERS, BUT encouraging retail sales and smart decisions from industry leaders have retailers moving in the right direction. Thanks to cost reduction initiatives introduced by SCM executives, retailers were able to tap into existing opportunities to streamline their supply chains. Retailers were also able to work more closely with merchants and store operations teams to lower their bottom line costs, saving billions across the industry and surviving the worst recession in history.

The success of these efforts has led to a growing importance of supply chain management throughout the retail organization and a nod from retail CEOs at its critical role. As the economy turns toward recovery, these cost structure enhancements and efficiencies will enable retailers to thrive as the economy becomes healthy again.

With fluctuating consumer demand and increasing internal stakeholder demands, SCM executives know they must be ready for anything. They are working to strike the right balance of inventory availability, cost control, and customer service to stay ahead of the curve. These executives will be looking to simplify their supply chain processes and make them easier to manage by utilizing technology and increasing visibility while supporting cross-channel collaboration. In addition, they'll be shortening lead times, strategically locating products for effective demand response, and partnering with service providers to reduce replenishment cycle times.

Supply chain executives are working to extend planning all the way to the store shelf and to support the rapidly evolving multichannel space. They are also collaborating with store operations managers to design efficient dock door-to-shelf product flows and optimize receiving, backroom management, and shelf restocking operations.

Finally, leading retailers are embracing the growing private label trend, and in some cases they are taking greater ownership and control of the manufacture of private label goods. This gives retailers greater control over product flow and availability and helps to reduce safety stocks.

In February, RILA will hold the 26th annual Logistics Conference and bring together retail and consumer product executives in logistics, distribution, and supply chain

management. Executives will talk about these cutting-edge advancements and the ever-evolving industry. They will examine trends and discuss what lies on the horizon and how they can be prepared.

The five focus areas that will be covered this year are strategy, innovation and technology, collaboration, risk management, and policy. These focus areas will be woven throughout the various breakout tracks and the general sessions. The conference will discuss the key takeaways that came out of the 2010 "State of the Retail Supply Chain Study," published by Auburn University in partnership with RILA. The study examines the year's current trends, leading practices, and the foremost issues impacting the strategy and planning of retail supply chains.

Members of the RILA steering committee will participate in a general distribution roundtable discussion. Not only will the interactive session cover trends in the industry and what others are doing to address the same challenges, but so too will it include discussions covering key distribution operating topics. With supply chains working to support the changing space of multichannel retailing, attendees will hear from Pat Connolly, executive VP and chief marketing officer for Williams-Sonoma. Connolly will cover the evolution of consumer behavior and technology and the potential that can be derived from this phenomenon.

Additionally, Alberto Aleman Zubieta, the Panama Canal Authority CEO, will lead a session on how the completion of the Panama Canal expansion will impact global trade. Following the close of the conference, a select group of executives will also travel to Panama to see firsthand the progress of the Panama Canal project. RILA Logistics 2011 will be held Feb. 20-23 in Orlando, FL, and

is the longest-running and leading retail supply chain event in the industry. For more information, visit www.rila.org. ■



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