traverse
SYSTEMS

SPOTLIGHT: GNC Case Study
You can't manage what you can't see.

GNC LIVE WELL

GNC is the world's largest global specialty health, wellness, and performance retailer. In 2016 the company set out to solve a number of problems related to vendor performance and a lack of visibility across their supply chain operations.

Data was siloed in various departments and key metrics weren't being measured. GNC couldn't accurately determine the number of units in stock. What's more, their vendor requirements and receiving processes were dated. These systemic issues were contributing to high levels of shipping and compliance variability.

GNC AT A GLANCE

Founded in **1935**

4,800 retail locations throughout the United States

Franchise operations in **46** international markets.

$2.45B in annual sales/revenue (2017)

16,600 employees

THE CHALLENGE

Without visibility into the entire purchase order lifecycle, GNC could neither isolate the causes of trouble shipments nor adequately address problems with on-time and complete.

REAL-WORLD RESULTS

Leveraging the Traverse platform, GNC:

- **Gained complete visibility into every part of the purchase order lifecycle**
- **Isolated the precise causes of trouble shipments and vendor compliance problems**
- **Raised their ASN compliance rate from 76% to 92%, resulting in higher performing inventory**

Extended POs and Siloed Departments

GNC had, over time, grown to become a highly siloed business, and individual departments were starved for information. Data for key metrics resided in the distribution center and were inaccessible to other departments.

GNC also lacked visibility into what was open or closed on their purchase orders. Health-food manufacturers and wholesalers like GNC are frequently shipping against back orders, extending the purchase order lifecycle. Staff at GNC knew neither when the product was received nor how much product was received at a given time.

By late 2017, GNC's ASN compliance had fallen to 76%. They knew that they had a fundamental problem with visibility, and that's when they brought on Traverse Systems. Without relying on GNC's busy IT department, Traverse identified the precise issues contributing to falling ASN compliance rates.

> *"Getting up and running with Traverse was a seamless process. With Traverse, we have true visibility into our entire operation. The Traverse's tools allow us to bring together warehouse managers, directors, salespeople, and EDI departments from all the companies we work with, large and small. Traverse is absolutely a game changer. I can't recommend them enough."*
>
> *Marty Hahn, Director of Vendor Relations, GNC*

GNC also relied on the Traverse Platform to gain visibility into and control over their inbound shipments. In a little over a year, their ASN compliance rate has risen from 76% to 92%, resulting in higher performing inventory.

Bridging the Departmental Divide

Now, GNC is immediately aware of any issue related to any one of their job functions. Buyers, for example, are now able to work a trouble shipment and get information back to GNC's Distribution Centers. Receivers can easily enter a trouble shipment along with images or other identifiers. This information is then automatically shared with the corresponding Distribution Center and Buy Team.

At GNC, Directors can automatically connect and validate PO information, delegate tasks, and take actions across departments. "Traverse helps us get more out of the data we already collect," says Hahn, "and it saves us an incredible amount of valuable time."

The Traverse platform transforms the operational center of any business from a cost center into a margin contributor.

No Integration Needed

Our platform requires minimal data wrangling and zero integration to get started. You provision access to the necessary data, and we handle the rest.

Reduce Supply Chain Days

A unified view of your supply chain performance presents opportunities for continuous improvement, resulting in a reduction in supply chain days.

Out-Of-The-Box Collaboration Tools

Great supply chains depend on great partners. The Traverse platform includes tools to align your entire partner ecosystem towards meeting your goals.

Automated and Manual Auditing

Our supply chain audit tools automate reporting and streamline communication with trading partners. Access a secure database for compliance information and create an unlimited number of manual and mobile audits.

Business-Speed Performance Monitoring

Fully automate identification and reporting on events that disrupt the flow of merchandise and add avoidable costs that reduce overall profitability.

Fortress-Level Data Security

We offer secure IT hosting of client applications and hardware, including foolproof backups of critical business data.

Build a more consistent, predictable, and profitable supply chain.

Contact Traverse Systems at: **info@traversesystems.com.**

ABOUT TRAVERSE SYSTEMS

Traverse Systems is an interdisciplinary team of engineers, operators, and industry experts who work day-in and day-out to build best-in-class enterprise solutions that redefine business partnership management and supply chain success.

For 18 years, we have served some of the world's most respected brands including CVS, Burlington Stores, Pep Boys, Tractor Supply, Kohl's, and more.

Markets and consumer expectations are changing rapidly, and old operational models are breaking under the pressure. Our job is to mitigate those risks with technology and expertise that optimizes performance and execution.

Traverse Systems is proudly based in Sugar Land, Texas. To learn more, please visit: **www.traversesystems.com.**