

Main News



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Optimizing Distribution -GrapeCity Visits Johnson & Johnson Medical Ltd.



On January 24, 2008, GrapeCity China CEO Peter Macinnis paid a visit to Johnson & Johnson Medical (JJMC), one of GrapeCity's key customers, to meet with Jason Hsu, Senior Director of the Supply Chain and Information Department. Regarding the Distribution Management System GrapeCity developed for JJMC, Jason told Peter, "DMS is key to our

whole supply chain management. GrapeCity has helped us reduce operational costs and increase efficiency of channel management and supply chain management. The majority of our channel information and sales transactions goes through this system by linking us to resellers around China."



Group news

GrapeCity corporate website upgraded

GrapeCity has redesigned and upgraded our corporate website (www.grapecity.com) to include Chinese, English, and Japanese. In addition to improvements to the layout, we have included more case studies sharing successful customer experiences, focusing especially on solutions to real-life business challenges. We are confident that our newly redesigned website will give you rapid access to useful information that will help you find the best solution to your own business needs. We look forward to greater interaction with you through our website.

JJMC chose GrapeCity to build and maintain its dealer management system in 2001, and in the past seven years of cooperation the two companies have built a strong bond of friendship and trust. Inside the Johnson Group, DMS is called the "Flying Dragon Project", indicating the importance of the system and the value management places on it.

JJMC's product lines include Cordis®, LifeScan®, Depuy®, etc., and is selling their products to end users in China through hundreds of distributors nation-wide. As sales grew, channel management became a key challenge in the following areas:

- Product management – the need to track distributor sales and inventory timely and accurately
- Sales management – the need to manage the sales activities and distributor information
- The need to get accurate, timely sales and market information from tier 2 and 3 cities to manage quotations and sales rebates for local distributors
- The rapidly increasing volume of daily orders overwhelmed the ability of manual processing to keep up, and greatly increased the incidence of data input error

GrapeCity's DMS system includes modules for purchasing, inventory, auditing, payment and reporting, tailored to the medical equipment business. It allows JJMC's distributors to access and upload their business information over the Internet, and it has helped JJMC to manage their distribution operation smoothly. In addition to DMS, GrapeCity has also built other solutions for JJMC including a Sales Force Efficiency system, and we have provided both Business Intelligence and system implementation services.

Benefits of DMS for JJMC:

1. Optimization and standardization of distribution processes: DMS covers the entire supply and distribution cycle to improve overall operational efficiency, and standardize the operation of channel sales, distributors and subsidiary organizations
2. Reduce operating costs: DMS provides

highly intelligent, automatic restocking and inventory management features, which reduces overall inventory cost by avoiding either overstocking or under-stocking of inventory. Good inventory management means DMS can help distributors achieve better results by speeding up their inventory turns and reducing funds tied up in excess stock.

3. Optimization of resource allocation: the effective management of the distribution network ensures that JJMC and its distributors can optimize logistics; the flow of capital, information, and services; and can avoid tying up funds, human resources and material.
4. Distributor loyalty: DMS strengthens the connection with distributors and provides timely support and effective promotional campaigns to maintain the close relationship, all of which greatly improves customer satisfaction and customer loyalty.
5. Proactive distribution management: JJMC collects valuable, real-life data from the sales and distribution operation on a daily basis. By analyzing the trends from this information, DMS helps JJMC business managers conduct proactive distribution management and improve their adaptability to the market.

JJMC has integrated hundreds of management indicators into the DMS information platform to conduct daily business decision-making, channel management and to achieve a high degree of transparency and real-time information communication. With the constant improvement in the distribution chain, JJMC has benefitted by reducing inventory and improving the efficiency of daily operations through this rigorous and comprehensive sales network and management platform.

About Johnson & Johnson: Johnson & Johnson, with approximately 109,900 employees, is the world's most comprehensive and broadly based manufacturer of health care products, as well as a provider of related services, for the consumer, pharmaceutical, and medical devices and diagnostics markets. Johnson & Johnson has more than 200 operating companies in 57 countries, selling products throughout the world.

