



# Success Story

Drugstore chain uses AX4 to manage procurement:  
dm maintains relations with industry partners

Drugstore giant dm consolidates the shipments to its distribution centers to ensure that personal care products and other common household items are available on store shelves when they're needed. The Karlsruhe-based company already schedules pickups from some 120 industry partners in Germany, Switzerland, Austria, the Czech Republic, France, and the Netherlands. These partners are linked through the AX4 logistics platform, which processes all order-related data as goods are transported from dm partners to dm distribution centers. The transport service providers are also linked and use AX4 to issue proactive alerts of any discrepancies.

Logistics service providers also benefit from the transparent information channels. Shipping notifications make it possible for them to plan the capacities they'll need well in advance and start the transport to the distribution center as soon as the supplier approves it. They can also add the estimated time of arrival to the shipping data. The distribution centers can then see all the data they need through AX4.

### The Challenge

The products go straight from the industry partner to one of the eight distribution centers. The goal of dm is to implement a centralized platform that all parties across company boundaries can use to share transport-related information and add their own data.

### The Solution

The logistics platform AX4 serves as the foundation for precise, on-time planning of all transport orders—linking industry partners, transport service providers, and dm distribution centers. The advantage: The centralized platform makes information quickly available to everyone, and all parties along the process chain can contribute any other relevant data at any time. This improves the quality of information, benefiting everyone.

If the people in receiving find a discrepancy between the expected and actual volume of the shipment, it is automatically escalated for review: first to the transporter and, depending on the result, then to the industry partner.

Once the goods have been accepted in the distribution center, AX4 applies its freight charge tables to calculate a credit memo for the transport service provider and also generates invoice data for the industry partners.

### The Result

Troubleshooting is no longer nearly as time-consuming thanks to a highly transparent flow of goods and automated alerts when discrepancies occur. Another huge benefit is that the billing processes can draw upon the shipping data, which has been reconciled and thereby validated. After its early experience on the German market, dm decided in 2014 to expand the use of AX4 to Austria as well.

*»Our goal was to set up a centralized platform that all parties across company boundaries could use to share transport-related information and add their own data.«*

Petra Mostberger  
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