

GRA WINS MERCURY AWARD - Best Technology Application -



Melbourne, 16 February 2007

GRA is proud to be the Logistics Mercury Awards winner for Best Technology Application.

GRA won the award for excellence achieved with their retail client Super Cheap Auto. The project involved developing strategic inventory policies and enhanced planning processes. The advanced planning and forecasting system GAINS was implemented to enable accurate forecasting and replenishment, with the capability to optimally balance capital, costs, capacity and customer service levels. The results of this project were, and continue to be, outstanding: In one year to July 2006, inventories were reduced by 12% (which equates to a \$16.2 million reduction across 234 stores), contributing a \$12 million cash flow benefit, and service levels are up – and all in a depressed retail sales environment where many competitors are struggling.

Anna Game-Lopata, *Logistics Magazine* Editor, said:

“The Mercury Awards panel of judges agreed that GRA has distinguished itself as a sophisticated supply chain technology consultant, with particular expertise in the field of advanced planning and supply chain optimisation. In particular, the innovative use of the company’s GAINS planning tool to reduce Super Cheap Auto’s inventory by 12% and generate a \$12 million benefit to operating cash flow as part of the FOSIL Project, was an exceptional achievement in a difficult retail climate.”

Carter McNabb, GRA Partner, said:

“We think the award will increase the visibility of the results delivered at Super Cheap Auto. When Super Cheap announced these results to the Australian Stock Exchange, their share price increased 17% on the day. They are forecasting and planning over 3 million item location combinations at the retail store level across Australia and New Zealand with a small, centralised team of planners sitting in Queensland. This has given them a powerful competitive advantage, and we think the award will create interest in the process that got them there. These awards are important because they recognise leadership and innovation in Australian supply chains. This raises the bar, and if industry rises to meet the challenge set by the leading organisations, we could see an overall improvement in the competitiveness of our supply chains.”

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For Further Information

GRA

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Carter McNabb (left) accepts the Mercury Award on behalf of the GRA team

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