

### **eVMI Targets Entertainment Media Solutions**

Few software companies can trace their roots directly from the entertainment business, and this is especially true of those specializing in Supply Chain Management. WebConcepts is a notable exception. Their highly regarded VMI/Replenishment solution, eVMI, was designed to meet specific challenges faced by home entertainment media firms. Company founder Ray Young is especially happy to claim this heritage. "I've been in IT management and development for a long time, in several industry environments, and in my experience home entertainment is the sector that really pushes the envelope for SCM. We designed eVMI to meet these challenges head on."

Young credits the industry's fast pace and competitive pressure with influencing eVMI's design, specifically three demands that the solution had to meet: agility, speed and granularity. It's well known that the entertainment industry's standards along these lines far exceed those of most businesses. "The pace of new product introduction in home entertainment is staggering, and makes the window for maximizing sales very short," agrees David Cortese, VP Information Technology at Sony Pictures Home Entertainment. "If you don't make the most of every new release, the sales opportunity will vanish in the flurry of competitive releases. Missing replenishment opportunities or making bad replenishment decisions is very painful for both the studio and the retailer. We required a best-of-breed system to do the job for us and eVMI has really met that need."

The vast majority of a new title's revenue is realized in the first few weeks of release, requiring extremely responsive replenishment planning in very short timeframes. The retail pressure to optimize not just average sales per square foot, but actual sales per every individual inch of space allocated to a product is rapidly driving planning to lower and lower levels within the store. "I'd say we could have developed a world class VMI solution in any industry, but home entertainment really sets a high bar for these solutions. You have to have a challenging goal to work toward. We're the only solution that focused on continually adapting to the emerging needs in this channel from day one." The results speak for themselves: it's fair to say that eVMI has led to an extraordinary transformation in the studios' retail replenishment operations.

There's more to it than innovative product design. Excellence in implementation is another critical factor. "Effective implementation and responsive development are essential. You can have the best solution in the world, but if you can't implement quickly and effectively both you and the customer lose," notes Young. "There is too much at stake for the customer to expect anything less." Here too WebConcepts posts impressive results, like establishing rapid and reliable replenishment operations for over 50 diverse retailers on a single instance of the application running on one server.

Not known for sitting still, the company is extending its presence overseas. Their first project in the European market mirrored accomplishments in the U.S., successfully implementing VMIR operations in three countries in three months. Asking what's next draws an enthusiastic response. "WebConcepts is definitely going to grow beyond the entertainment media sector. We're already working hard on applying our capabilities to other channels facing similar problems. If you can deliver innovative, high performance, reliable tools for this industry you can leverage

that capability elsewhere. You just have to be committed to pushing the technology in a creative way and always focusing on customer needs.”