



IBM Software Group

2005 B2B Customer Conference

Pioneering New Horizons – Solutions that Evolve

Food Lion, LLC - Journey to B2B

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Food Lion, LLC

WebSphere. software



ON DEMAND BUSINESS

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Objectives



- **Company Profile**
- **e-Business / EDI & AS2**
- **Need for Item Synchronization**
- **History**
- **Benefits**
- **Commitment**
- **Where We Are**
- **Where We're Going**



United States:

1,523 stores; USD 15.8 billion sales

Belgium, Luxembourg, Germany:

747 stores; EUR 3.9 billion sales

Southern
& Central
Europe:

253 stores
EUR
1.2 billion
sales



2,565 stores
Sales EUR
18.0 billion
Operating profit:
EUR 820 million
Earnings before
goodwill and
exceptionals:
EUR 410 million

Asia:

42 stores; EUR 135.6 million sales





Food Lion Company Profile

- One of the Largest Supermarket Chains in US
- 70,000 Associates
- 1,200+ Stores in 11 States
- 7 Distribution Centers in 5 States
- 10 million+ Customers per Week
- Offering 28,000 items
- Fleet / 525 Tractors / Over 58 Million Miles in 2004
 - DC 1 - Salisbury, NC - 39,000 gallons fuel / week
 - Operating Costs – 1.80 / mile



Food Lion e-Business Team



Toni



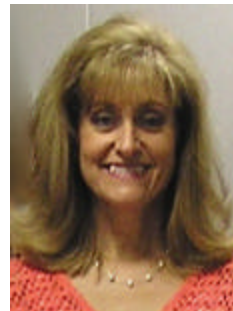
**Linda
(Team Lead)**



Specialists



Rhonda



Mary Jane



**Carolyn Hager
e-Business
Manager**

Analysts



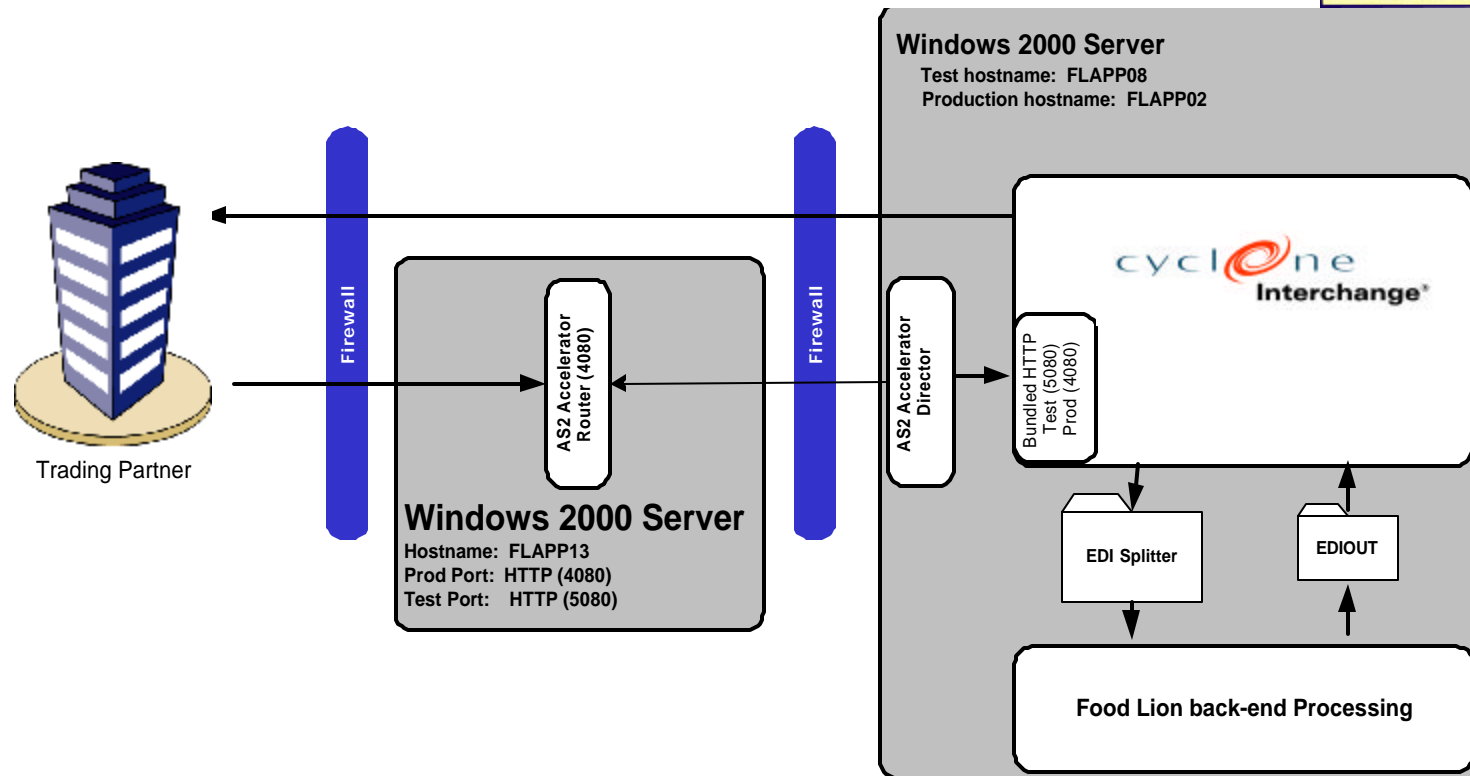
Beth



Samia



e-Business – AS2 Overview



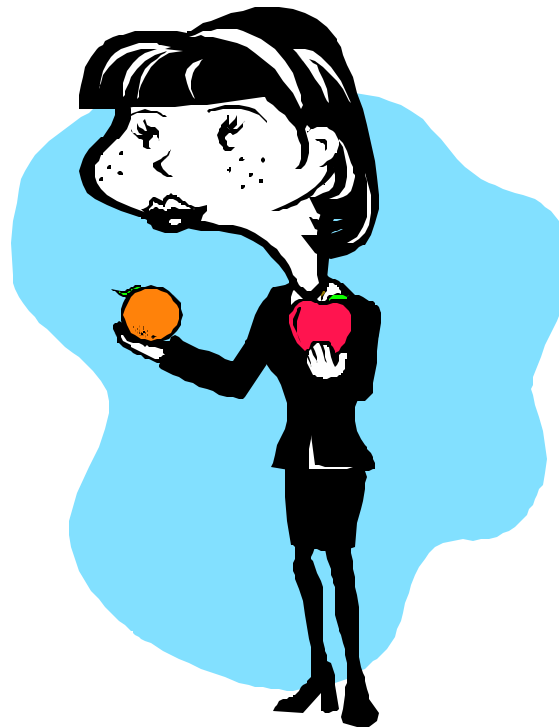
e-Business - EDI Overview



- **2000+ Trading Partners Supported**
- **31 EDI Transactions Supported**
 - **Supply Chain/Procurement**
 - **Financials**
 - **HIPAA**
 - **Risk Management**



The Need for Item Synchronization...



Item Synchronization - History



Delhaize Group B2B



Benefits



- **Faster Marketing for New Item Introductions**
- **Quicker Turnaround for Item Changes**
- **Higher Purchase Order Accuracy**
- **Reduction in Invoice Mismatches / Payment Discrepancies**

Commitment



**Price /
Promotion**

RFID

CPFR

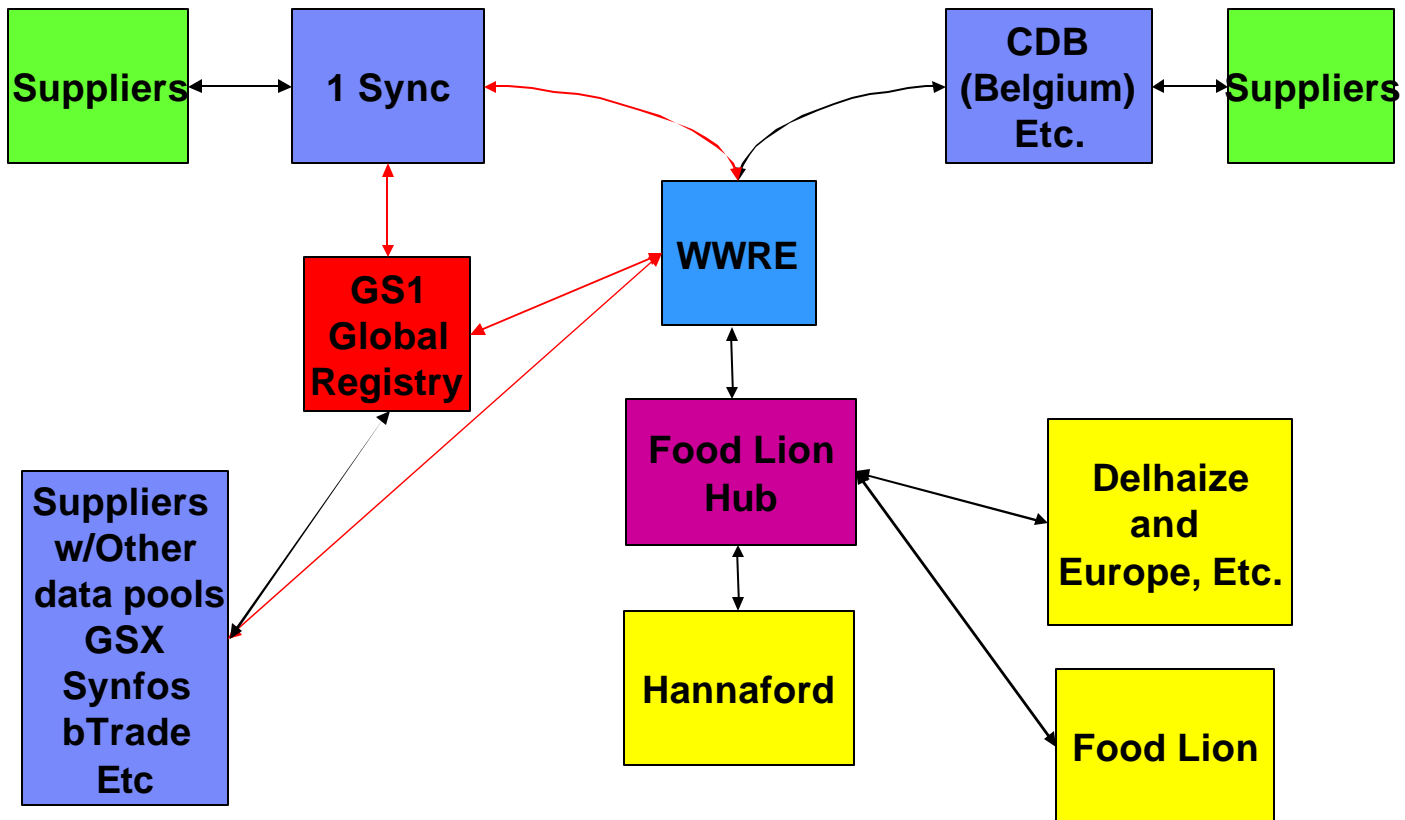
Foundational

Where We Are...



- **GDS Solution In Place**
 - **Pilots for Delhaize Belgium**
 - **Testing for Food Lion**
- **Master Data Solution In Place**
- **Vendor Portal In Place**
- **In Test Mode to Support New Systems for Vendor and Item**

Process Model



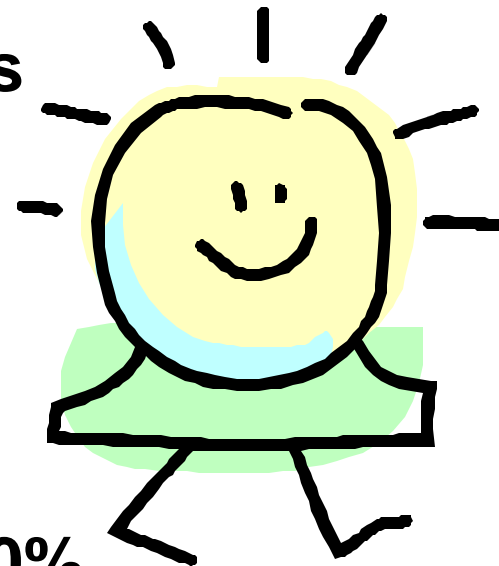
Black lines represent direct connections, Red lines represent interoperability connections



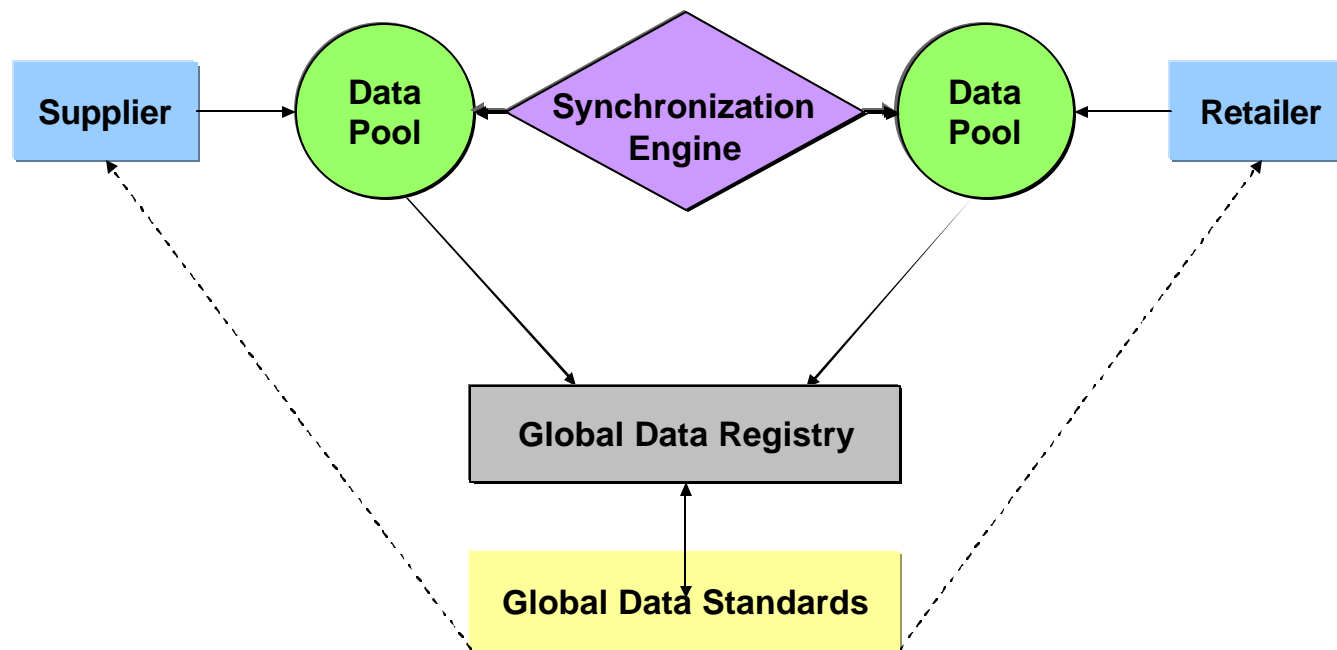
Where We're Going...



- **Ensure Master Data Models Are In Place, Stable**
- **Pilot Data Synchronization Solution With Controlled Vendor**
- **Continued Ramp Up To 100%**



Data Synchronization Network Model



A flexible, scalable global model has been agreed for *continuous, automated* data synchronization

Item Synchronization Process Flow

